The China Weekly

REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

Japan Presents Another Ultimatum on North China Situation

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Nippon-Trained Students Versus Euro-America "Clan"

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SATURDAY, MAY 11, 1935 VOLUME 72, NUMBER 11

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Shanghai, May 8, 1935

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Latest New York Stock Exchange Quotations

May 8, 1935
Business Done:-
Total Volume: 810,000 Shares

1934-35 High	1934-35 Low	Div. $ per sh.	STOCKS	Last Sale May 6	Last Sale May 7
123⅝	90¼	4.00	American Can	118⅞	117⅞
22½	14⅝	0.40	Amer. Cyanamid "B"	17½	17½
13⅜	2	—	American & For. Power	3¼	3¼
38⅝	9¼	—	American Locomotive	11½	11½
17⅝	10	—	American Radiator	13	12⅝
51¼	30¼	—	American Smelting	42⅞	43½
125¼	99¼	9.00	American Tel. & Tel.	115⅝	114½
89	67	5.00	American Tobacco "B"	84¾	85¼
27⅝	7¼	1.00	American Waterworks	10½	10⅜
17¾	8	—	Anaconda Copper	13¾	13¼
73⅜	36⅝	2.00	Atchison, S. & S. Fe	40½	39⅞
35¼	21⅝	1.00	Atlantic Refining	24	23⅞
57⅞	15	—	Auburn	19¼	19½
24½	7⅞	—	Baltimore & Ohio	11	10½
23⅞	9⅜	—	Bendix Aviation	14⅝	14¼
40½	22½	—	Bethlehem Steel	25¼	24⅝
11¼	6½	—	Boeing Airplane Co..	8	7⅝
28¼	19⅞	1.60	Borden Co.	23⅞	23⅞
35	16¾	1.50	Borg Warner	33⅝	33¼
18½	9½	—	Canadian Pacific Railway	10¼	10⅜
56⅜	35	—	Case, J. I.	55¾	55⅝
44⅞	23	1.00	Caterpillar Tr.	44⅝	44⅜
40¾	15⅞	1.40	Chase National Bank	22	22¼
48¾	37½	2.80]	Chesapeake & Ohio	42½	42
60⅜	29¼	1.00	Chrysler	40⅝	41⅜
19¼	3⅜	—	Columbia Gas & Electric	6	6⅛
36¾	15¾	0.60	Coml. Solvents	19¼	19
3¾	0⅜	—	Commonwealth & Southern (ord.)	1⅛	1⅛
47⅜	16½	1.00	Consolidated Gas of N. Y.	23⅜	23⅜
22¾	15⅛	0.50	Contin ntal Oil	19¼	19¾
84½	55¼	3.00	Corn Products	69¼	68⅛
9⅞	3⅝	—	Coty Inc.	4⅜	4⅜
28½	14½	—	Douglas Aircraft	24⅞	24⅝
108⅞	80	3.25	Du Pont de Nemours	96⅝	96½
23½	3⅝	—	Electric Bond & Share	6½	6½
17½	8¼	—	Fox Film "A"	11⅝	11⅛
25¼	16⅞	0.60	General Electric	24¼	23⅞
36⅞	25	1.80	General Foods	34	33⅝
42	24⅝	1.50	General Motors	80½	30⅜
23	14⅛	1 20	Gold Dust	15¼	15
41⅝	16	—	Goodyear Tire & Rubber	17⅜	17¼
37¾	18⅜	0.25	International Cement	26¼	25⅝
29¼	21	0.60	International Nickel	27⅝	27½
17⅜	5⅝	—	International Tel. & Tel	6⅞	6⅞
66⅜	39	—	Johns Manville	48	47¼
28¼	14	0.60	Kennecott	17¾	18⅛
39¼	20⅜	2 00	Loew's Inc.	38½	38⅛
22½	15⅜	1.20	Lorillard	21	20⅞
35⅜	20	—	Montgomery Ward	26⅛	26¼
49½	22¼	2.00	Nat. Biscuit	25	25
43	16⅞	1.00	National City Bank	20⅝	20⅜
18⅜	13	1.20	Nat- Dairy Prods.	14¼	14⅜
31⅜	16	0.50	National Distillers	24⅜	24
15½	5	0.80	Nat. Power & Lt.	8	8
45¼	12¼	—	New York Central	16¼	15⅝
25¼	9½	1.00	North American	13⅞	14
23½	12⅜	1.50	Pacific Gas & Electric	18½	18⅜
37	19	2 40	Pacific Lighting	28	27½
6⅜	2⅜	—	Packard Motors	3⅜	3⅞
29¼	17¼	1.00	Pennsylvania Railroad	20⅞	20¼
20⅜	13	1.00	Phillips Petroleum	19⅞	20⅜
45	20⅜	2.80	Public Serv. of N.J	28¾	28
8⅛	4	—	Radio Corporation	5⅛	5⅛
62⅞	43¼	3.00	Reynolds Tobacco "B"	49⅜	48½
38⅜	17½	—	Schenley	25	24⅝
51¼	31	0.75	Sears Roebuck	37⅝	37⅛
19⅞	11	0.60	Socony-Vacuum	14⅛	14
22⅛	10⅛	1.50	Southern California Edison	15¼	15⅛
33⅜	13	—	Sthrn. Pacific	15⅛	15⅛
36½	7⅝	—	Sthrn. Railway	10⅝	10¼
25¼	13¾	1.00	Stand. Brands	14¼	14½
17	1¾	—	Standard Gas & Electric	3¼	3⅜
42⅞	26⅛	1.00	Stand. Oil of Cal.	34½	35⅛
50⅛	35¾	1.25	Standard Oil Co. of N. J.	43¾	44½
67	47¼	3.80	Sterling Products	64⅝	63¼
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43¼	29	2.00	Texas Gulf Sulphur	30¼	30¼
8½	5	.12½	Transamerica	5⅝	5⅝
54⅜	35⅞	1.40	Union Carbide & Carbon	53⅜	52½
133⅝	83½	6.00	Union Pacific	90	89
15¼	8⅛	—	United Aircraft (New)	12¾	12⅝
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24	9⅝	—	U. S. Rubber	11⅝	11
59⅜	27⅞	—	U. S. Steel	31¾	31⅜
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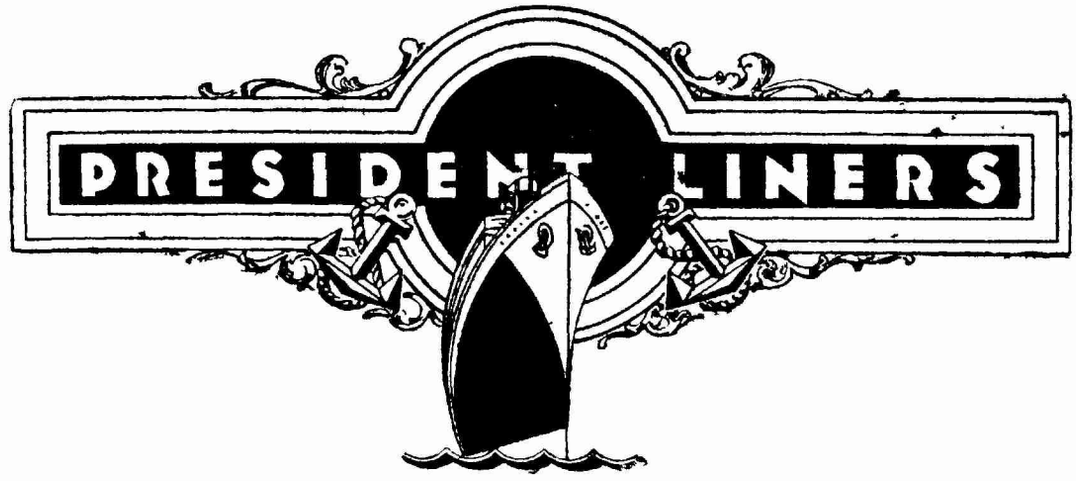

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密勒氏評論報

The China Weekly REVIEW

Formerly Millard's Review

中華郵政特准掛號立券之報紙

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THE CHINA WEEKLY REVIEW

Formerly Millard's Review

Cable Address "REVIEWING SHANGHAI"

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COMMUNICATIONS PERTAINING TO SUBSCRIPTIONS OR ADVERTISING IN CHINA OR ABROAD SHOULD BE ADDRESSED TO THE CHINA WEEKLY REVIEW AT 160 AVENUE EDWARD VII, SHANGHAI, CHINA. TELEPHONE 14741. CABLE ADDRESS "REVIEWING SHANGHAI."

WASHINGTON STATE WANTS AN AMBASSADOR IN CHINA

THE state of Washington, U.S.A., which occupies the northwestern corner of that portion of the North American continent which is ruled from Washington, D.C., wants the State Department to raise the status of the American Minister to China to that of "ambassador." On March 2 the Washington state legislature adopted a resolution, introduced by Representative Strickland, which read as follows:

Urging the establishment of an embassy in China instead of a legation.

To the Honorable Franklin D. Roosevelt, President of the United States, the Senate and House of Representatives of the United States, and the Members of Congress from the State of Washington:

We, your memorialists, the Senate and House of Representatives of the state of Washington in legislative session assembled, most respectfully represent and petition as follows:

Whereas, the United States was the first country to introduce the "open door" policy in China, and

Whereas, the United States was the first among the powers to return the Boxer indemnity, and

Whereas, the United States was the first to recognize the Republic of China, and

Whereas, the United States was the first nation to relinquish China's territorial concessions and to advocate the territorial and administrative integrity of China, and

Whereas, the United States leads the countries of the world in trade with China, and China will eventually be the largest market in the Orient for American manufactured goods, and

Whereas, the business of the United States with China will undoubtedly increase materially in the next few years,

Now, Therefore, the legislature of the state of Washington respectfully petitions and requests you, the President and Congress of the United States, to elevate the legation in China to an embassy.

Be it Resolved, that a copy of this memorial be sent to the President of the United States, the president of the United States Senate, the speaker of the House of Representatives, and to the members of Congress from the state of Washington.

This resolution may have some effect in attracting the attention of American officialdom to the American diplomatic set-up in China and if it could be put into effect by the federal government it undoubtedly would assist materially in improving the relations of China and the United States. But one wonders why the promoters of this resolution did

not go still further and recommend that President Roosevelt cut off a very small slice of the recent gigantic relief appropriation and use it for the construction of a *new American Embassy at Nanking* and also, we might add, a new American consular building in Shanghai. If the United States doesn't do something about removing its Legation from Peiping shortly, the officials of the State Department are likely to wake up some morning and discover that Japan has annexed north China to Manchukuo, and that the American Minister, because of his location, had also been taken over as the U.S. diplomatic representative in the puppet state. It is quite possible that the Japanese are planning such a move as a means of solving the problem of Manchukuo's recognition!

NIPPON-TRAINED STUDENTS VERSUS EURO-AMERICAN "CLAN"

AKIRA ARIYOSHI, Japanese Minister to China, now in Tokyo on leave, urged the Japanese newspapers to exercise care in referring to certain Chinese officials as being "pro-Japanese" for fear that this might stir up the opposition of the "European-American clan," and at the same time arouse suspicion among the Cantonese. Mr. Ariyoshi's statement was significant in view of the recent publication in the Japanese magazine *Sangyo-to-Kyoiku* of a long discussion bearing on the same subject, in connection with which there was listed a considerable number of Chinese officials whom the Japanese apparently regard as "pro-Japanese." The article in the Tokyo magazine was written by Suketaro Honda, a member of the staff of the *Tokyo Asahi*, and there was evidence that he had devoted considerable thought to the subject. We will not repeat the list of Chinese officials that Mr. Honda characterized as "pro-Japanese," as such might, as Mr. Ariyoshi suggested, "prove embarassing." However, the subject is interesting because of the belief which apparently prevails in high circles in Japan that China might become entirely amenable to Tokyo policy, provided a sufficient number of "pro-Japanese" officials could get into positions of power. With one or two exceptions the officials whom the Japanese writer listed as "pro-Japanese" had received their educations in Japan. After summing up the activities, connections and relative influence of each, the Japanese writer continued to the following effect:

> "It is encouraging that there are so many influential pro-Japanese Chinese in positions of power. What is most important to take into consideration at this moment is a possible change or intensification of present tendencies in the future. In the past these pro-Japanese Chinese had been unable to do anything to turn the tide of the anti-Japanese situation, but they have now, quite suddenly, come to the fore and have started open activities for the promotion of Sino-Japanese good-will and friendship. At present they are openly or covertly engaged in their activities in the hope of accentuating this tendency, but not without fear of a possible change in its direction.

That the present "swing toward Tokyo" does offer opportunities to Chinese who have attended school in Japan and hence are familiar with the Japanese language is obvious, but to imply as the Japanese do that these Chinese are not as loyal to their country, or as patriotic, as Chinese who were educated in the United States or Europe is incorrect as future events probably will show. To imply that a Chinese, who had received his education in Japan, would, for this reason be willing to convert his country into a Japanese colony, constitutes an insult which probably would be resented by most of the considerable number of Chinese who have attended Japanese schools. Chinese students who have been educated in America and Europe have always taken a leading position in patriotic movements designed to improve the status of their country from the standpoint of its independence in international affairs and they have done so without regard to any particular nation where they may have happened to attend school. In the agitation against Great Britain which followed the incidents at Shanghai and Canton in 1925 the lead was taken by students who had received their education in England; hence the Japanese are probably due for a serious shock if they expect students who have been educated in Japan to take the lead in converting China into a Japanese colony. It is always possible, as was the case when the Anfu clique was in power in Peiping in 1917-1918-1919, to find Chinese politicians who will "sell out" to the foreigner, just as it is possible to find Americans, Britons, Germans, Russians and also Japanese who will do the same thing, but to suggest that all Chinese who have been educated in Japan are amenable to Japanese influence, financial or otherwise, is wide of the mark and, as stated, if the Japanese are basing their diplomacy on this they probably are due for a rude awakening in the not distant future.

Some Seattle Comment About Canton

The Editor, *The China Weekly Review* :—

In the excellent editorial which appeared in *The Review* March 9, the Nanking leaders are blamed for not agreeing more with Canton, but how could they agree with Canton? Until recently, where the benevolent Judge. Wang Chung-hui brought about some sort of reconciliation between the two principal factions of the Kuo-Min tang, Canton politicians have been displaying the same petty clannishness that causes tong-wars in the Chinatowns of America. Their selfish and narrow regionalism, comparable to that of our own Southern Confederacy in the period of our Civil War, is unable to conceive of *China as a whole*, and mistakes unity for dictatorship, even when time after time, the idea of dictatorship has been scoffed at by the very man accused of aspiring at it!

Yet, no matter how many years it will take to be perfected, the gradual unification of China is already a *concrete fact* and is being accomplished by the cooperation of most provinces, eastern, central as well as northern and north western, with the central government, in the way of extending communications, stemming floods, expelling bandits, suppressing opium, educating the masses and generally speaking, reconstructing the country. The fact cannot be gainsaid by fair-minded observers.

However, it attracts the criticism of the so-called "long-gown" leaders of the south-western faction, for whom National Salvation is chiefly a matter of high-sounding words, not of practical deeds, —legalists, speaking from the heights of the absolute, with no sense of relativity whatsoever, and who, barren of achievements, themselves (with the exception of a few comparatively easy provincial schemes)—have to discredit the achievements of others, whose tasks are to cope with calamities and problems truly gigantic!

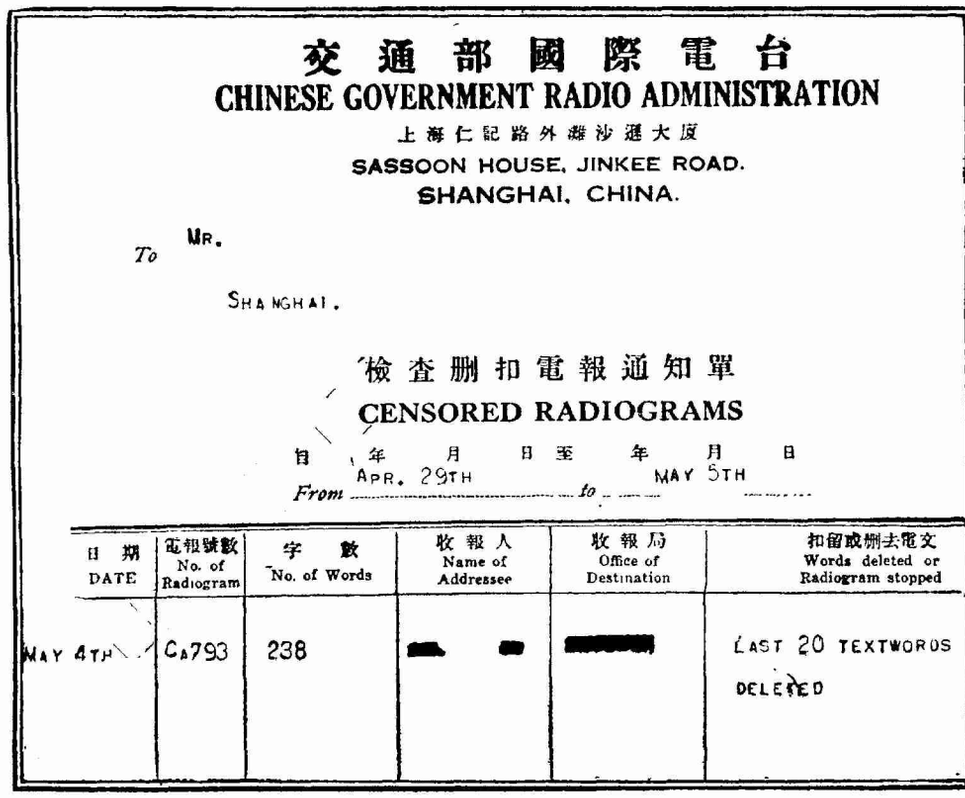
The trouble meanwhile is that our American Press has paid too much attention to the south-western manifestoes and not enough to the arduous and continuous service *of the men of action, ability* and *sane wisdom* in charge at Nanking, who, because of the popular acclaim welcoming them during the trips that they undertake to acquaint themselves with the realities of the situation in various parts of China arouse the jealousy of the Canton obstructionists!

Seattle, Wash, April 8, 1935. M. R. SEDGWICK.

More Uncensored Japanese Cables on Yunnan Political Situation

IN the last week of April when the situation became critical in Yunnan province owing to the invasion of that area by the red gangs which had been evicted from Kiangsi and other sections of central China, most of the American and European correspondents at Shanghai sent reports descriptive of the situation to their home newspapers. But the censors in the radio and cable offices here suppressed all of these messages, in consequence of which none of the papers in the United States or Europe received direct reports from their China correspondents pertaining to the Yunnan situation.

But the situation was different with respect to the newspapers in Japan due to the non-censorship of massages dispatched to Japan over the Shanghai-Nagasaki cable. On April 27 and 28 all of the Japanese newspapers published long dispatches from their correspondents in China telling of the seriousness of the Yunnan situation. The *Osaka Mainichi's* report (dated April 25.) alleged that 50,000 communists which had occupied prefectures around Panhsien in northwestern Kweichow province had suddenly invaded Yunnan by two routes. As a result of the occupation of the Pingi and Loping districts of eastern Yunnan the situation at Yunnanfu, capital of the province became critical, and many foreigners and wealthy Chinese residents departed from the city. The Japanese sent their wives and children to French territory in Indo-China. A longer massage through *Rengo* service which appeared in the *Japan Advertiser* (Tokyo) said that Gen. Lung Yun, head of the Yunnan provincial government, only had 20,000 troops available to oppose the reds and had sent an urgent appeal to Gen. Chiang Kai-shek for help. The Japanese reported further that Chu Teh, leader of the communist troops was conducting an active propaganda in Yunnan to the effect that he planned to deliver the province not only from its native warlords, but also of British and French imperialists. Chu Teh was quoted in the Japanese *Rengo* report as stating that he was acting under the orders of the "Central Government of the Chinese Soviets," and in view of the fact that Yunnan was his native province, he intended to occupy the capital with 10,000 red troops and spare no efforts in delivering Yunnan from his enemies. This report, dealing with the Yunnan situation, was accompanied by another *Rengo* report from Hankow (April 25) alleging that Gen. Chiang Kai-shek was seriously ill at his headquarters in Kweiyang, Kweichow province, and that it had been necessary to send physicians by airplane from Chungking.



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檢查刪扣電報通知單
CENSORED RADIOGRAMS

自 年 月 日至 年 月 日
From APR. 29TH to MAY 5TH

日期 DATE	電報號數 No. of Radiogram	字數 No. of Words	收報人 Name of Addressee	收報局 Office of Destination	扣留或刪去電文 Words deleted or Radiogram stopped
MAY 4TH	CA793	238	[redacted]	[redacted]	LAST 20 TEXTWORDS DELETED

The above is a reproduction of one of the official notices which the censors in the Chinese Government Radio Administration now use to inform correspondents of the censorship of news messages. The name of the particular correspondent to whom this slip was sent has been deleted, but it shows that 20 words were deleted from a particulat message. Previously the correspondents were not notified when messages were entirely suppressed or parts deleted. While this constitutes an improvement on the previous system it does not rectify the fundamental matter of non-censorship of Japanese messages discussed in the accompanying article.

The fact that the Japanese newspapers published complete reports on the Yunnan situation, which reports in turn were, in all probability, cabled abroad by correspondents stationed in Tokyo, served to emphasize again the ridiculousness of the censorship situation at Shanghai. While the government censors were able to prevent American and European correspondents from cabling the news to their papers, the fact that the Japanese were able to wire their reports without interference made the entire

censorship effort worse than futile. The result was that the Japanese were able to have their reports distributed over the world with the Japanese interpretation, while American and European correspondents who might have given a more accurate or impartial report were prevented from sending any news on the subject at all. While no one questions the National government's right to censor news telegrams, particularly messages pertaining to military movements, there can be no justification for the present situation which enforces a strict control of messages sent by Americans and Europeans, but does not interfere with messages, news or commercial, which are dispatched by the Japanese over their cable which has its office at No. 25 Seward road, in the International Settlement. As this situation is now generally known in Nanking governmental as well as foreign diplomatic circles, it would seem that the Ministry of Communications should do one of two things: either enforce its censorship over the Japanese cable office here, or in the event this cannot be done, the entire censorship of messages dispatched over the international radio and the Anglo-American-Danish cable offices used by American and Europeans should be discontinued. An indefinite continuance of the present intolerable situation can have but one result—the complete control and manipulation of Chinese news reports by the Japanese with the center for the dissemination of Chinese news transferred from Nanking and Shanghai to Tokyo, Japan.

While there has been no official announcement from any quarter explaining why the Chinese authorities did not establish their censorship over the Japanese cable office in Shanghai when the censorship was established over the American, British and Danish cable offices here, it was reported unofficially that the Japanese military authorities had simply notified the Chinese that any attempt to interfere with messages sent over the Shanghai-Nagasaki cable would be resisted by armed force. In this connection, however, the Japanese allegedly informed the Chinese authorities that the Shanghai-Nagasaki cable, being the property of the Japanese government, would only be used for official business. It also was reported that all of the Japanese staff employed in the Japanese telegraph office at No. 25 Seward road, International Settlement, are employes of the Japanese Navy Department and, in consequence, are under the orders of the commander of the Japanese garrison headquarters on North Szechuen road. Whether these reports are based on fact is unknown, but the allegation that the cable is only used for official business is false because the writer of these paragraphs has been shown statements from official quarters in Tokyo authorizing the use of the Japanese cable for the dispatch of news and commercial messages by non-Japanese interests *providing the messages are translated into the Japanese language and dispatched to addresses in Tokyo where they can be re-translated into the English language for transmission to other parts of the world.* However, there is no necessity for producing proof of the non-censorship of messages at the Japanese cable office because the Japanese have made no secret of their refusal to permit the Chinese authorities to interfere with their cable.

Whether the Japanese have violated any agreement or understanding which they may have made with the Chinese authorities regarding the use of their cable for strictly official business is not known. What is known, however, is that the Japanese are permitted to send news and commercial messages over their cable for publication in Japan, which the Chinese government censors in the other radio and cable offices here refuse to permit other nationalities to send. Why the Ministry of Communications continues to permit this situation to exist has not been explained.

How the French View the Chinese Censorship

The following is a summarized free translation of an editorial on Chinese censorship, appearing May 2 in "Le Journal de Shanghai," which reprinted part of an editorial on this subject which appeared in "The Review" April 20.

"The object of foreign diplomats should be not to get the Japanese also censored, but to get rid of the censorship in the Settlement, which is as contrary to its statute as are the inspections of factories by delegates from Nanking or the Kuomintang. If there is censorship it should be by the Police of the Settlement and, anyhow, as long as extraterritoriality exists the censorship of foreign telegrams should be in the hands of the respective consuls. The Chinese censorship has never been so absurd as at present—also incompetent and ineffectual. It tries to hide news which everybody knows. We have no desire to deny to the Chinese Government the right to censor journals in China—especially outside the Settlements, but it is intolerable and illegal to expect us to think in Chinese and adopt the Chinese point of view, and besides require us to use such infantile expressions as "Pu Yi," "Manchuria," etc. The Chinese are as afraid of words as a rabbit of his shadow. The censor should never have been allowed in the Great Northern & Eastern Extension Telegraph offices without the formal consent of foreign diplomats, or at any rate not without the presence of responsible foreign censors. The censorship, which has as its object the protection of the good name of China abroad, is exercised in a manner so ridiculous that if it functioned thus in Europe or America it would provoke formidable shouts of laughter.

"In any case it is inadmissible that the question of censorship of telegrams for abroad should have been settled by an ordinary private agreement between the Minister of Communications and the foreign cable offices. . . . The question of censorship should not have been settled without reference to and consent of the foreign diplomatic representatives hence there is strong question regarding its legality from the standpoint of the treaties."

Hankow Journal Says Censorship Merely Exaggerates Rumor

Commenting on the editorial in "The Review" of April 20 above referred to, the "Central China Post" (Hankow April 30) said, among other things :—

"We are wondering whether the clause in the various treaties between China and the Foreign Powers, known generally as the Most Favoured Nation Clause, applies to the application of the censorship to every conceivable form of commercial and news agency activity which the Nanking Government enforced several months ago over all messages leaving China. At least everybody concerned imagined that they were enforced on everyone alike, but now it appears from a recent article in the *China Weekly Review* that the Ministry of Communications were never able to enforce the censorship on cables going over the line between Shanghai and Nagasaki. In short, while they were able to plant their censors in every other cable office that of the Japanese cable remained exempt.

"The effects of the censorship as applied has been merely to multiply and exaggerate rumor. The exposure we refer to, if it results in the abolition of the censorship as now applied will be of greater benefit to China than it will be to the few correspondents and business firms who are not in the least concerned with domestic politics. If the Ministers of the Foreign Powers referred to really do take up the matter, a relaxation of the rules is highly probable for we cannot imagine the Japanese Government following the same line as that of the other Governments concerned."

Japanese Army Delivers Another Ultimatum to China---Hopei Authorities Submit

ALTHOUGH practically unnoticed in the local foreign papers and entirely ignored by the Chinese Press, the Japanese military authorities in Manchuria on May 4 delivered an ultimatum to Gen. Yu Hsueh-chung, chairman of the Hopei provincial government, threatening "appropriate measures," in the event Gen. Yu did not immediately countermand certain orders which he had issued with respect to the policing of the so-called neutral or demilitarized zone in North China. The demilitarized zone, embracing a broad strip of territory extending southward from the Manchukuo border to the environs of Peiping-Tientsin, was created in accordance with the terms of the Tangku truce signed by the Chinese and Japanese military authorities on May 31, 1933. The complete text of the Tangku truce, signed by Gen. Huang Fu head of the Peiping political affairs committee, has never been published. While originally thought to be concerned only with the cessation of hostilities between the Chinese and Japanese military forces over the Manchurian affair, the Tangku truce has since gradually increased in political importance until it now constitutes the foundation of Japanese military policy toward China. The belief is said to prevail in foreign diplomatic quarters in Peiping that the Tangku truce actually embraces the full Twenty-One Demands which the Japanese military authorities handed to China in 1915, but most of which they were compelled to withdraw because of the opposition of the United States and the European Powers.

A further example of the undisclosed terms of the Tangku truce was provided April 24 when Major-General Seishiro Itagaki, assistant Chief-of-Staff of the Imperial Kwantung Army in Manchuria, announced in the course of an interview in the Tokyo newspapers that the establishment of an airplane service between Manchukuo and North China was included in the truce agreement. He stated that the Japanese military authorities had presented China with a plan for the creation of a "joint" air-transportation company, and declared that the Chinese authorities "are trying to wriggle out of the agreement by means of sophistry."

Whether the ultimatum which the Japanese military authorities handed to Gen. Yu Hsueh-chung on May 4 included a demand for the establishment of air-communication between Manchukuo and North China is not known as there has been no explanation, official or otherwise, from the authorities in North China. It is believed, however, that this latest Japanese threat was concerned with the policing of the demilitarized zone, a matter which has been in dispute since the signing of the truce two years ago. The *North China Star*, American paper in Tientsin, published a *United Press* report from Changchun, capital of Manchukuo on May 5 stating that serious trouble had developed between the Sino-Japanese authorities within the demilitarized zone. The Japanese charged, according to the Changchun dispatch, that the Chinese had violated a "special understanding" reached on April 14 regarding the policing of the district in the vicinity of Shanhaikwan. The Japanese charged further that there had been further Chinese violations of the agreement and concluded with the ominous threat that the Japanese army, "may therefore be compelled to take action." What this special understanding signed on April 14 was, has not been announced, but is thought to be concerned with the policing of the zone. However, the Japanese stated that they were prepared to settle other outstanding issues concerned with boundary disputes along the Great Wall "in a peaceful manner."

In the meantime Yin Tung, managing-director of the Peiping-Mukden railway, and a close associate of Gen. Huang Fu, has hurried to Toyko, announcedly for the purope of attending a Far Eastern tourist conference, but reports in the Tokyo newspapers stated that Mr. Yin was conferring with high officials of the Japanese war and Foreign offices over important matters in North China. Mr. Yin was quoted by *Rengo* as stating that the discontinuance of the boycott of Japanese goods and elimination of allegedly anti-Japanese passages from Chinese school text books were indicative of an improvement of Chinese sentiments toward Japan.

But the allegedly improved sentiment of the people of North China toward Japan, referred to by Mr. Yin, apparently was not sufficient to prevent the Imperial Kwantung army from handing China another military ultimatum, which, according to a *Rengo* message from Changchun on May 4, stated that the Japanese were prepared to "take appropriate measures," unless Gen. Yu immediately compiled with the Japanese demands. The *Rengo* report stated that the ultimatum was handed to Gen. Yu Hsueh-chung by Col. Seiya Giga, commander of the Japanese troops stationed at Shanhaikwan, and also by the commander of the Japanese troops stationed in Tientsin. The ultimatum, however, bore the signature of the Gen. Jiro Minami, commander-in-chief of the Japanese military forces stationed in Manchuria, and who also serves as Japanese "ambassador" to the puppet state. A later *Rengo* dispatch from Peiping, also on May 4, stated that Yin Ju-keng and Tao Shao-ming, the two Chinese officials concerned with the enforcement of the Tangku truce, had notified Col. Takahashi, assistant Japanese military attache in Peiping that the Chinese authorities had complied with the Japanese demands and that Gen. Yu Hsueh-chung "had rescinded certain orders concerned with the disposition of military forces within the zone which he had issued originally on April 30." The Japanese military authorities apparent-

ly regarded Gen. Yu's orders as contrary to the Tangku truce and of the further agreement of April 11, the terms of which have never been announced. The report stated that Gen. Yu had decided to comply with the Japanese demands following telegraphic instructions which he had received from Gen. Ho Yin-chin, chairman of the military affairs commission at Peiping and Gen. Huang Fu, chairman of the Peiping political affairs committee.

There also was a further serious development within the demilitarized zone, also on May 4, when the Japanese consular police, assisted by Japanese troops from the Chinwangtao garrison, seized 60,000 tons of coal belonging to the Chinese-owned Liukiang mine near Chinwangtao. The Japanese charged that the coal had been "stolen" by the operators of the Chinese-owned Liukiang company from the galleries of the Taichi company, a Sino-Japanese concern in the same district. The Taichi company, while listed as a "Sino-Japanese" enterprise is largely owned by the Asano Cement company of Japan.

As a result of the Japanese ultimatum the Chinese authorities at Peiping announced on May 6 that the inauguration of the new police system within the demilitarized zone had been postponed "owing to unforeseen difficulties." According to a report from Tientsin circulated by the Chinese *Chekiai* service on May 4, Gen. Yu Hsueh-chung, head of the Hopei provincial government had perfected plans for the inauguration of the new police system. The new peace preservation corps, which has been under training for many months, was mobilized in preparation for marching into the zone on May 10. The Chinese report stated that the corps was scheduled to move into the area in two routes, one into the Luantung (eastern) section, which was to be commanded by Gen. Chang Yen-tien, while the other was to take over the Chihsien-Miyun area located to the north of Peiping and which was to be commanded by Gen. Chang Ching-yu, The entire corps was to be under the command of the Hopei peace preservation force which is subject to the orders of Gen. Yu Hsueh-chung. The absence of any official statement from Chinese sources in North China, plus the complete silence of the Chinese press on the subject has left the public in the dark regarding the real cause of the complication. A report from Peiping through the official *Central News Agency* on May 6 stated that Tao Shang-min and Chu Hsi-chin of the zone commission had hurried to Tientsin to interview Col. Giga of the Japanese garrison, while Jin Ju-ken, another Chinese member of the commission had conferred with Col. Takahashi, the assistant Japanese military attache.

In the meantime the demilitarized zone, center of Japanese fostered banditry and dope trade in North China, continues to be controlled by so-called "irregular" forces operating under the orders and protection of the Japanese Kwantung army.

Bronson Rea Seeks Renewal of U. S. $15,000 Advisory Contract in Puppet State

George Bronson Rea, editor and publisher of the *Far Eastern Review*, a political engineering journal printed in Shanghai, is now on his way back to Manchukuo from Washington, D. C., according to a Japanese *Rengo* message from Tokyo on May 9. For the past three years Mr. Rea has served as the unofficial representative of the Japanese puppet state in the American capital, for which he has received U. S. $15,000 a year, plus expenses. The purpose of Mr. Rea's present trip is to obtain a renewal of his contract, according to recent reports from Washington. Mr. Rea recently published a new book dealing with Manchuria, copies of which are now on sale at Nanking road book stores. The title of the book is "The Case for Manchukuo," wherein the author and adviser urges diplomatic recognition.

King George's Silver Jublilee Enthusiatically Celebrated

The 25th anniversary of the accession of King George V to the Throne of England (usually described as the Silver Jubilee) was enthusiastically celebrated throughout the British Empire May 6 and everywhere where British residents congregate. In Shanghai the celebrations were on a particularly elaborate scale.

An impressive service was held in Holy Trinity Cathedral in the morning attended by diplomatic and Consular officials, military and naval officers of all nationalities, ex-servicemen, Council officials, and a large number of the general public. Bishop Curtis in an inspiring address called attention to how the Crown binds all peoples of the Empire in a tie of attention and inspiration. At the Shanghai Club, the Zero Club, and in Police and Service canteens, there were special gatherings at noon, when, in a simple toast to "The King," the men folk gave expression to sentiments of loyalty and respect. All merchantmen and men-of-war in harbor dressed ship. A special ceremony took place at noon on H.M.S. *Kent*, but this big British cruiser was prevented from taking a full part in the celebrations owing to damage done to the British naval Buoy when the cruiser tried to tie up May 3. The repairs to the Buoy will take a month. The *Kent* went to Holt's Wharf in Pootung.

The principal event of the day was the Naval and Military Display, which took place on the Racecourse at night, many thousands of spectators of all nationalities being in attendance. Special illuminations were placed on all the principal British buildings.

The two British newspapers, The *North China Daily News* and the *Shanghai Times*, and the American-owned *Evening Post*, all published special supplements to mark the occasion. All three supplements used "silver" as part of the color scheme on the cover. The *Times* and the *Post* carried special advertisements in their supplement. The *N. C. D. News* did not. One of the staff of said paper said the management considered it unpatriotic to use a business appeal to solicit advertisements for a Silver Jubilee number.

The principal celebrations were, naturally, in London where, in the words of *Reuters*, "three million loyal subjects acclaimed the King and Queen as they drove in State to St. Paul's Cathedral for a Service of Thanksgiving in commemoration of the 25th anniversary of his Majesty's accession to the Throne as King of England and Emperor of India. Seldom before has London witnessed such a spectacle of pomp and pageantry as the dignified cavalcade made its way to the Cathedral."

Emperor Hirohito of Japan was among the world's rulers who cabled a personal message to King George V, expressing his congratulations over the twenty-fifth anniversary of the latter's accession to the British Throne.

Leading Chinese officials called at the British-Consulate-General in Nanking to offer congratulations.

Shanghai Bookseller Fined $160 for Vending Pirated Books

Police in the Shanghai French Concession last week seized a large number of reprinted foreign textbooks in the English and German languages following a raid on a Chinese bookstore on Avenue Haig. Brought before the Second Special District Court on May 1 on charges of violating Chinese publication laws, Liang Mow-din, director of the Peiping Bookstore claimed he was only a bookseller and not responsible for the publication or printing. He admitted having purchased all these reprinted books from Peiping, Soochow and from other bookstores in this locality but he was not aware that this was an offense against Chinese publication laws. The police seized a total of 372 foreign textbooks, all being reprinted in China from foreign original copies. When the case came up at the next hearing Liang was fined $160.

Takahashi Urges Prudence in Manchukuo Finance Reform

PRUDENCE in the projected reform of the present monetary system of Manchukuo was urged by Finance Minister Takahahsi upon Hung Wei-kuo, Vice Minister of Financial Affairs, and Chiang En-chih, director of the Monopoly Bureau of the Manchukuo Government in an interview which was held at the former's official residence in Tokyo, May 6. Mr. Takahashi further counselled patience in dealing with the present monetary situation of Manchukuo, adding that if defects were found, the officials in charge should take a gradual course in making corrections so as to effect a reform best suited to national conditions. Mr. Takahashi advised them against adopting a system incompatible with the state of affairs in the country.

Manchukuo Seeks Yen-Yuan Stabilization

The Manchukuo authorities recently approached the Tokyo government with an urgent request for the stabilization of the yen-yuan exchange rates. The Manchukuo plea, it is stated, asks for definite action as soon as possible and for a settlement of the issue by Autumn at the latest.

New Manchurian Concern to Manufacture Cereal Foods

Organization of a Yen 3,000,000 concern, specializing in the manufacture of foodstuffs from kaoliang, soya beans, wheat and other staples, for export to Japan, China and the South Seas was announced in Mukden, May 3. The promoters of the firm, which will be known as the Manchuria Staple Products Company, include Joji Matsumoto, former Japanese Minister of Commerce and Industry; Chokiuo Kadono, Vice-President of the Okura Company; Kimmochi Okura, former director of the South Manchuria Railway Company, and Fang Hsu-tung, former chairman of the Fengtien Chamber of Commerce.

Work Begun On Two Manchukuo River Defense Vessels

Keels of two Manchukuo river defense vessels were laid at a ceremony held in Harbin May 6 at the Harima Dockyard, in the presence of General Chang Ching-hui, Minister of Military Affairs. The two ships, the *Chinjen* and the *Tingpien*, are scheduled to be completed in August.

Endo, Manchukuo General Affairs Board Head, Quits

Ryusaku Endo, Japanese head of the powerful General Affairs Board of the Manchukuo Government, filed his resignation April 30. It is understood he is not in sympathy with the extensive reforms in Japanese administration in Manchuria effected last fall over the protest of civilian officials of the now defunct Kwantung Leased Territory Government.

Manchuria Gold Mining Company Expects Large Output

Hideo Kusama, assistant director-general of the Manchuria Gold Mining company recently, stated that during the next fiscal year, gold valued at 4,000,000 to 5,000,000 yuan is expected to be mined.

Convention Providing for Japan-Manchukuo Economic Commission to Be Signed Shortly

A convention providing for the organization of a Japan-Manchukuo Economic Commission will be signed during May in Changchun by General Jiro Minami, Japanese Ambassador to Manchukuo, and Cheng Hsiao-hsu, Manchukuo Premier. The draft convention, was recently completed by the Manchurian Affairs Bureau in Tokyo, for presentation to the Manchukuo Foreign Affairs Department through the Japanese Embassy in Changchun.

Former S. M. R. President Slated for Economic Commission Membership

Jotaro Yamamoto, former President of the South Manchurian Railway Company and advisor to the Seiyukai, Majority party in the House of Representatives, has been tentatively selected as a civilian member of the proposed Japan-Manchukuo Economic Commission.

Hiroka May Follow Lead of Hayashi to Tour Manchukuo

Following the example to be set by General Hayashi, War Minister and concurrently director of the Manchurian Affairs Bureau, who will leave Tokyo on May 21 for Manchukuo, Foreign Minister Hirota and other Ministers may visit the new State, a recent telegram from Tokyo indicated.

Customs Agreement for Manchukuo-Korea Border to Be Signed During This Month

An agreement providing for the stationing of Manchukuo customs officers in North Korea to co-operate with the Japanese authorities in examining goods crossing the North Korean border is to be signed in Seoul before the end of this month.

Minami in Speech Deplores Japanese Superiority Complex

The urgent necessity of Japanese residing in Manchukuo to restrain themselves from displaying a superiority complex, was stressed by General Minami, Japanese ambassador to Manchukuo, and commander-in-chief of the Kwantung Army, in an interview with newspapermen at Dairen, May 3. General Minami declared that Japanese in Manchukuo should dedicate themselves to a true spirit of good neighborliness, and gain the understanding and appreciation of Manchukuoans, without which genuine harmony was impossible.

Japanese Police Seize Coal Allegedy Stolen by Competing Chinese Concern

Japanese consular police, supported by soldiers May 4 seized 60,000 tons of allegedly stolen coal stored in the compound of the Chinese-owned Liukiang Mine near Chinwangtao. The coal allegedly was dug from the Liukiang concern. The coal was seized on behalf of the Taichi mine, which is owned jointly by Japanese (principally the Asano Cement Co) and Chinese.

First Shipment of Ammonium Sulphate Produced in Manchuria Arrives in Osaka

The first shipment of ammonium sulphate produced by the Manchuria Chemical Industry Company, weighing some 800 tons, reached Osaka last month. The Manchurian Chemical Industry Company began production of ammonium sulphate on April 2 at the daily rate of 150 tons.

Four Japanese Soldiers Killed When Bandits Wreck Train

Four Japanese soldiers and one Japanese guard were killed, one Chinese policeman and 14 passengers injured and an unknown number of Japanese and Chinese passengers were kidnapped in a midnight bandit attack on a Changchun-bound train at Tashihtouho, 370 kilometers northwest of Changchun May 2. The outlaws, employing their usual methods, loosened the rails, causing the locomotive and two coaches to jump the tracks. They then opened fire into the darkened coaches. In a furious combat that ensued, the bandits were repulsed, leaving thirteen corpses behind. Soldiers were dispatched by the Japanese garrison stationed in Tunhua in pursuit of the marauders, who were said to number about 100.

Four Japanese soldiers were injured, two of them seriously, as the result of a battle with a force of Chinese volunteers in the neighborhood of the Pachiteng Station on the newly construbted Railway between Harbin and Lafa May 6.

National Salvation Army Organized by Volunteers in Jehol

With Chaoyang as their base of operation, the Chinese volunteers in eastern Jehol have organized themselves into a National Salvation Allied Army to fight against the Japanese. Within a radius of 300 li in the interior from Chaoyang, Chinese national flags are now flown over the official buildings and it is claimed that the authority of the Japanese and Manchukuo officials in Chaoyang, Lingyuan and Lingnan now can not reach beyond the city walls of the three important eastern Jehol cities. According to the *Chekiai Agency*, the first step in their plan to campaign against the Japanese is to carry on secret propaganda among the Manchukuo troops and incite mutiny of the troops.

Bandit Chieftain Arrested—Confesses to Taking Part in Recent Train Attack

One of the leaders of the 300 bandits who derailed and attacked a passenger train on the Changchun-Tumen run on May 2 has been captured by the authorities. He confessed that the wrecking of the train was the result of orders received from an organization known as "The North-East Country Saving Army" which has its headquarters in Peiping.

Two Indicted on Defamation Charge in Connection With Bribery Allegation

Kunitoshi Tsugumo, an independent member of the Lower House of the Diet, and a newspaper man, whose name was witheld by the authorities, were indicted in Tokyo May 7 on a charge of defamation of character in connection with the publication of reports that six persons prominent in local political circles had received a $500,000 bribe from Marshal Chang Hsueh-liang. The indictment was returned by the Procurators' Office of the Tokyo District Court after they questioned the two men as to their connection with the activities of Masami Okada, alias Einosuke Yamamoto, who allegedly forged receipts purporting to show that the six political leaders had taken money from the former Manchurian warlord.

Oil Dispute Is Only a Label, Says Japanese Diplomatic Correspondent

The "Diplomatic Correspondent" of the Osaka Mainichi, April 23, discussed the independence of Manchukuo, particularly in its relation to oil, among other things saying,

"From the standpoint of real politics, it is not going too far to say that the independence itself would not have been made an issue had the new state with docility promised to maintain foreign relations on the same level as China. Even in China proper, governments have come and gone with no power of making any protest as long as "treaty rights" were respected. Viewed in this light, it is made plain that the state oil monopoly dispute is only a label. The actual content of the argument is

whether Manchukuo should be regarded as another China or the powers' relations with the new state should be based upon 100 per cent respect of the latter's sovereignty. What the pending diplomatic contest hinges on is whether Manchukuo should be viewed with the anachronistic 19th century discrimination or allowed freedom to work out a new deal.

"It is useless to present any argument justifying the Manchukuo state oil monopoly as long as the other side is prejudiced against the very foundation of the new state."

Japan to Double Air Force With 800 Planes

The *Asahi* reported May 4 that the Japanese army is reorganizing the air force thoroughly with the 48,000,000 yen approved by the last last Diet. Japan's military planes are stated to number only 800, which is said to be less than one-third the Soviet air force, consisting of 3.000 airplanse. The force will be doubled, with three air corps established at Gifu, Korea, and Formosa, while air-defense units will be stationed at Tokyo, Osaka and North Kyushu. The newspaper also reported that two aviation schools will be added to the present four military aviation schools.

Japanese Plan Tokyo-Singapore Air Service

The Japan Air Transport Co. is planning a two-day air service between Tokyo and Singapore by extending the projected Japan-to-Formosa air route to the Straits Settlements by way of Hongkong. The air route would cut down the travelling time between the two points from two weeks, by sea, to two days.

Taiwan Official Summoned to Tokyo to Discuss Airways

Naomichi Kataoka, director of the Aviation Bureau of the Ministry of Communications in Tokyo has invited Kanae Hotta, director of the Communications Bureau of the Government-General of Formosa, to visit Tokyo to discuss arrangements for the establishment of an airline between Kyushu and Formosa.

One Month's Air Maneuvers to Be Staged at Changchun

Extensive air defense maneuvers will be held in Changchun and vicinity, for a month, beginning on May 11. Bombing practice will be held in the city suburbs on June 10, while on June 12 and 13 the Capital will be treated to a demonstration of an air-raid.

Southwest Aviation Corporation Receives Two More American Planes

Two new airplanes, purchased from the United States by the Southwestern Aviation Corporation, were landed in Hongkong April 30. After being assembled and inspected, the planes will fly to Canton to be commissioned on the Kwangtung-Kwangsi airmail and passenger service.

Southwest Aviation Corporation Buys Falcon Monoplane

Liu Pei-chuan, manager of the S.W.A.C. stated in a recent interview that on the recommendation of a British firm a Miles Falcon monoplane has been ordered from England. The machine is offered at a very reasonable price, as it is the first British passenger plane for civil aviation in China. It is due arrive in Canton some time this month.

The Hupeh Provincial Air-Defence Assocition was formally inaugurated in Hankow, May 2. The ceremony has presided over by General Chang Chun.

Test Flight of New Douglas Plane Is Made at Peiping

Members of the diplomatic corps, high military and civil officials, as well as leading newspapermen in Peiping accepted invitations for a test flight at the Nanyuan aerodrome in the new Douglas passenger plane which took the American Economic Mission in North China. The plane is to be commissioned for service between Shanghai and Peiping on May 14.

New Douglas Airliner Makes Record Trip to Tsingtao

The China National Aviation Corporation's new Douglas airliner set a new record of two hours and 20 minutes from Shanghai to Tsingtao when it carried the members of the American Economic Mission on the first leg of their northern tour. Among those listed as passengers were: Cameron Forbes, chairman of the Mission, Charles J. Carroll, vice-chairman, John B. Chevalier, Leighton W. Rogers, Dr. Louis C. Jones, Harold M. Bixby, and Mrs. Thomas Y. Wickham and Mr. and Mrs. G. Ellsworth Huggins. Da En-ki, managing director of C.N.A.C., also went, as well as Bang How, vice-chairman of the program committee, and Dr. Francis Pan, general secretary of the reception committee. Major Victor Bertrandis, Douglas factory expert, was at the helm of the plane at the take-off and Hewitt F. Mitchell, C.N.A.C. pilot on on the Shanghai-Peiping run, acted as co-pilot. A cruising speed of somewhere over 180 miles an hour was maintained.

Soviet Arctic Flyer Arrives at Khabarovsk

Kukanov, Soviet Arctic pilot who is making a flight from Moscow to Wrangel Island, arrived in Khabarovsk April 27. He made the trip from Moscow to Khabarovsk in 40 flying hours.

The Far Eastern management of civil aviation is opening a new air service in the Far Eastern region, particularly in the South Amur region where new lines will connect the town of Nikolaevsk on Amur with local gold mining and fishing centers.

Soviet Air Line to Arctic Viewed Seriously by Japan

The Japanese Government is reported to be regarding seriously the report that the Soviet Government is planning an air route from Moscow to Cape Schmidt in the Arctic Ocean since "this route is the life-line of Japan."

Soviet Notables Visit Moscow Central Aerodrome

On May 2, members of the Soviet Government headed by Stalin, Molotov, Voroshilov, Kaganovich, Ordjonikidze and Chubar, visited the Moscow Central Aerodrome, where airplanes of various types, including high speed destroyers and bombers, demonstrated superior flying both individually and in groups.

Big "Fly Past" Over London Will Be Feature of R.A.F. Display

The biggest "fly past" of airplanes ever seen in the London area, with nearly 100 machines of all types taking part, will be the culminating feating of this year's Royal Air Force display at Hendon on June 29.

Anglo-U.S. Agreement Facilitates International Flights

The governments of the United Stated and Great Britain have entered into an aviation agreement designed to simplify flights between territories of both countries, it was announced by the State Department in Washington, April 23. The agreement stipulates reciprocal conditions under which civil aircraft of both countries operate in American and British territories under simplified official procedure. The agreement was scheduled to become effective on May 5 and is to be applied to areas including Continental United States, Samoa, Puerto Rico, Virgin Islands, Northern Ireland, New Foundland, Labrador and the British possessions in the Caribbean Sea.

A robot-controlled Douglas plane April 30 set up a new transport plane speed record across the American continent, the time elapsed between Los Angeles and New York being 11 hr. 45 min., which was 28 min. 31 sec. less than the previous record.

Britain May Assign More Air Squadrons for Singapore Area

As a result of recent official investigations in the Far East, the organization of aerial defenses at Singapore is to be expedited. Two additional squadrons will probably be sent to Singapore, thus bringing the total number of air squadrons stationed there up to five.

Lady Houston Renews Offer of Donation of £200,000 for London Air Defences

Lady Houston in London May 2 renewed her offer to donate £200,000, previouly refused by the Government, for the air defence of London. She suggests the gift as a means to commemorate the King's Silver Jubilee and because of "the dire necessity at the present moment."

German Plans a 170-Passenger Plane to Cross Atlantic

Dr. E. Rumpler, a German inventor, builder of the famous Rumpler-Taube fighting planes of World War fame, and of a dozen other types of planes, is planning to build a 170-passenger heavier-than-air flying boat designed to cross the Atlantic from Hamburg to New York in 16 to 18 hours. Such a plane could reach Honolulu from San Francisco in 12 hours with a useful load of 70 tons, and could conceivably push on from there to Manila in 22 hours.

France and China Sign Long-Delayed Trade Agreement on Indo-China

Following several months of negotiations, M. Wilden, French Minister to China, and Wang Ching-wei on May 4 signed an agreement regarding the application of the Franco-Chinese convention of 1930 concerning Indo-China. The Central Political Council of the Kuomintang had approved the document the previous day. It carries a protocol and a list of Chinese goods which will benefit from a minimum tariff in Indo-China, as well as a list of Indo-Chinese merchandise which will continue to be admitted into China under the present tariff. In addition, final letters were exchanged settling certain questions concerning the economic relations of the two countries.

The convention was first negotiated five years ago between Dr. C. T. Wang, then Chinese Foreign Minister, and Comte de Martel, the French minister accredited to China at that time, and was formally signed on May 16, 1930. However, owing to the fact that the two lists, as mentioned, in Annex I had not been completed and agreed upon, the new agreement could not be carried into effect. As the result of recent negotiations, the protocol relative to Lists A and B has now been signed, together with other documents relative thereto, thus bringing the matter to a successful conclusion.

Tokyo Military Doubts Nanking's Professions of Friendship; Gen. Chiang to Direct Anti-Red Drives in Yunnan

HIGH LIGHTS IN THE EVENTS OF THE WEEK:

1. **Readjustment of Japanese Loans to China Under Way.**
2. **Recent Japanese Exports to Shanghai Show 25% Gain.**
3. **Akira Ariyoshi Will Return to China Post.**
4. **Yin Tung Urging Sino-Japanese Co-operation?**
5. **Aged Pro-Japanese Editors in Tientsin Assassinated.**
6. **Mongolian Leaders to Pay Official Visit to Nanking.**
7. **Gen. Chiang Kai-shek to Direct Anti-Red Compaign in Yunnan.**
8. **Yunnan Capital Peaceful and Safe From Red Attack.**
9. **New Kweichow Chairman Announces Administrative Policy.**
10. **Fighting With Reds Rages in Szechuan and Hunan.**

The *Tokyo Asahi* on April 24 reported that the military authorities still refuse to accept Nanking's professions of friendship for Japan at their face value. They discern General Chiang Kai-shek's tactical designs in the whole matter. In the opinion of the military authorities, General Chiang's two main objectives are to unify China and to retaliate against Japan. Seeing, however, that domestic conditions are far from settled—with the activity of Communists, the hostility of the South-Western faction and the antagonism of some local military leaders against the Nanking Government in evidence—he thought it politic to keep relations with Japan as quiet as possible, pending the unification of the country. While ostensibly suppressing anti-Japonism, he is pushing on his campaign against the Communist forces, which has for its collateral object the weakening of the influence of the South-Western faction.

The settlement of domestic conditions will be the occasion for a vigorous revival of the anti-Japanese policy of the Nanking Government, the military authorities believe. They regret that the Japanese Government and people are showing themselves over-credulous of Nanking's nominal expressions of friendship, jumping to the hasty conclusion that China has definitely abandoned her anti-Japonism. Japan's credulity and over-enthusiasm for China's seeming friendship are being exploited by the Nanking Government for the purpose of soliciting British and American help.

Such are the underlying motives of General Chiang Kai-shek and other Nanking leaders in pretending to cultivate friendship with Japan, and so it is well for Japan to be very cautious. To take the hand offered by China unquestioningly will be to play China's game, and it may end by injuring Sino-Japanese relations permanently instead of helping in China's awakening. Taking such a view of the present Sino-Japanese situation, the military authorities are keeping a vigilant watch on the attitude of the Nanking Government.

READJUSTMENT OF JAPANESE LOANS TO CHINA UNDER WAY

According to *Rengo* on May 7, negotiations for the settlement of an advance of Yen 1,500,000 to Kiangsi Province are under way in Shanghai between Tozo Hirano, manager of the Shanghai branch of the Bank of Taiwan, and T. V. Soong, chairman of the board of directors of the Bank of China. Two loans, one of Yen 1,000,000 and another of half that amount were made through the Bank of China by the Bank of Taiwan to Kiangsi. The Bank of Taiwan will probably agree to reduce the total interest in default to the amount of the principal of the loan while a new single interest rate of 6 percent will be arranged to apply against the principal.

Six defaulted Japanese loans to China (a list of which was printed in May 4th issue of the *Review*), have already been adjusted in this manner following negotiations with the Nanking Government.

In addition to these, an agreement for the adjustment of the Yen 10,000,000 Peiping-Hankow Railway Loan, underwritten by the Yokohama Specie Bank in 1911 was initialled recently between the representatives of the Bank and the Nanking Ministry of Railways.

JAPANESE EXPORTS TO SHANGHAI SHOW 25 PER CENT GAIN IN RECENT MONTHS

The Nanking Government's suppression of the boycott against the Japanese goods and the cheapness of Japanese products were considered by financial observers in Tokyo as the main reasons for the great improvement in Sino-Japanese trade in recent months. A 25 per cent gain in Shanghai imports of Japanese goods was shown last month as compared with March, according to a study made by the *Nippon Yusen Kaisha*, a major shipping concern. The figures for the imports into Shanghai for the three last months were: February 21,000 tons; March 31,000, and April 40,500 tons. The total for April represented a high record since the Shanghai incident of 1932. The chief items of imports were cotton textiles, refined sugar, hardware, chemicals, machinery and general merchandise.

The headquarters of an anti-Japanese body at Hangchow were ordered to be closed by the local authorities on April 20, according to a *Rengo* report April 25.

CHINA'S NEW TARIFF NOT HARD ON JAPAN

The contemplated increase in import duties, which it is understood the Nanking Government will not enforce until June 1, when the transit duties will be abolished and the export duties reduced, will not be so radical as it was feared in some quarters, *Nippon Dempo* reported on April 25.

The Japanese Minister to China, Akira Ariyoshi, on several occasions, presented to the Nanking Government representations on the increased tariff schedule, pointing out that the effect on the development of Sino-Japanese trade relations might be unfortunate. The Nanking authorities appear to have given some consideration to the Japanese contentions, with the result that the increases will not be especially harmful to Sino-Japanese relations.

Negotiations for the establishment of Sino-Japanese economic committees in Shanghai and in Osaka, composed of influential businessmen of both nations, are now underway, according to *Rengo*. The appointment on May 2 of three Japanese bankers in Shanghai to the Chinese Central Mint Commission was considered in Osaka as indicative of improved Chinese sentiment towards Japan. They are: Teiichi Yabuki, general-manager of the Shanghai branch of the Yokohama Specie Bank; Masaji Yoshida, general-manager of the Mitsubishi Bank branch and Kiichiro Sato, general-manager of the Mitsui Bank's branch.

ARIYOSHI WILL RETURN TO CHINA POST

Abandoning his reported intention to resign, Akira Ariyoshi, Japanese Minister to China, will return to his post in China within a few weeks, *Rengo* reported. Mr. Ariyoshi's decision to continue in his present post until, at least, July 1, was made in compliance with the request of Koki Hirota, Foreign Minister, it was intimated.

YIN TUNG URGING SINO-JAPANESE CO-OPERATION

Sino-Japanese economic co-operation in North China was urged by Yin Tung, Manager-Director of the Peiping-Liaoning Railway, in one-hour interview with Koki Hirota, *Rengo* reported on May 7. With the adjournment on May 6 of the Oriental Tourism Conference, which Mr. Yin attended as a delegate, he is now planning to exchange opinions on North China problems with high Japanese civil and military officials in Tokyo. Mr. Yin is also reported as having suggested to Mr. Hirota the encouragement of large-scale tours of North China by the Japanese.

According to a report in the *Japan Advertizer* prior to Mr. Yin's departure for Japan, Mr. Yin would visited

Mukden on his way and negotiate with South Manchuria Railway authorities for construction of 20 superior passenger cars, worth about Yen 1,000,000. The Japanese railway company will build these cars at its Sakako Workshop in a Dairen suburb, if it accepts the order.

The *Asahi Shimbun* on April 25 reported that the Manchoukuo Railway Office has completed its draft regulations covering through freight traffic among China, Manchoukuo and Japan in view of the recent favorable turn in their trade relations. Negotiations with the representative organs of the Japanese homeland, Formosa, Korea, South China and North China, the latter through the Dairen Steamship Company, will shortly be undertaken by the Manchoukuo Government after consulting the South Manchuria Railway Company.

Five members of the Seiyukai, majority party in the Japanese Lower House, arrived at Shanghai aboard the N.Y.K. express liner *Shanghai Maru* on May 5 on a 40-day inspection tour of China. They are: Shohei Fujinuma, former chief of the Metropolitan Police Board; Vice-Admiral Hachiro Yasumi, reserve officer; Dr. Seiko Ohta; Budaiyu Kogure; Keishiro Sukekawa and Chu Funata.

Having completed an inspection trip of the upper reaches of the Yangtze, Rear-Admiral Teijiro Sugisaka, commander of the Japanese Eleventh Flotilla, arrived at Hankow from Changsha on May 7 aboard his flagship, the *Ataka*. . .He is scheduled to leave for Shanghai on May 12.

Major-General Seishiro Itagaki, asst chief of Staff of the Japanese Kwantung Army, in interview in Tokyo on April 24 said,

"With regard to relations in North China, the Tangku truce gave us a program for the settlement of traffic, trade and economic issues. The postal and through traffic issues have been adjusted, and now they are undertaking to settle the question of air transportation. One plan contemplated is to establish a joint company for through air traffic. The idea is not really bad, but the Chinese are trying to wriggle out of it by sophistry."

TSINAN TRAGEDY OF 1927 OBSERVED

Flags were flown at half-mast at Tsinan and all amusements suspended throughout the city on May 3 in commemoration of the 9th anniversary of the Tsinan Indident (1927), when the Japanese invaded Tsinan and massacred the inhabitants. Under the auspices of the Shantung Provincial Party Headquarters, a public memorial service was held.

AGED PRO-JAPANESE NEWSPAPER EDITORS ASSASSINATED IN TIENTSIN

Hu En-pu, 50-year old publisher and editor of the *Kuo Chuan Pao* (the so-called National Rights Daily), published in the Japanese Concession in Tientsin, was assassinated by two armed gunmen who broke into his room at the Peiyang Hotel there at 11.p.m. May 2. Mrs. Hu was seriously wounded as she sought to protect her husband. Mr. Hu recently returned to Tientsin from a trip to "Manchoukuo" and registered himself at the Peiyang Hotel under the assumed name, Shen Chu-chun.

At 4 a.m. May 3, Pai Yu-heng, 64-year old publisher of the *Cheng Pao*, another Chinese daily published in the Japanese Concession in Tientsin, was also shot dead by gunmen who entered his residence and fired several shots, killing him and wounding his 4-years old son.

Both the *Kuo Chuan Pao* and the *Cheng Pao* were pro-Japanese newspapers which had strong anti-Nanking editorial policies. The *Kuo Chuan Pao* purports to be the organ of the so-called Chun Kuo Kuo Chuan Shih (National Rights Society of China), of which the late Mr. Hu claimed to be the leader. A translation of the manifesto and platforms of the Chun Kuo Kuo Chuan Shih published in the 64th issue of the paper was printed in the May 4th issue of the *Review*. Both the manifesto and the platforms attacked the Kuomintang, the National Government and General Chiang Kai-shek for failing to protect the national rights and urged strong co-operation between China and Japan as a means to oppose the encroachments of the Western Powers.

CHINESE VOLUNTEERS ATTACK JEHOL CITY

Under the leadership of Sung Yung-ching, a Chinese volunteer force numbering more than 2,000 strong has been organized in Jehol, which is now launching an attack on Chengteh, capital of Jehol Province. According to a dispatch from Kupeikow May 7, the volunteers occupied Pancheng in the vicinity of Chengteh on the 4th inst. and operations are now in progress against the Jehol City.

Reorganization of the old Peace Preservation Corps stationed at Yenchiao and Hsiatien, recently transferred there from Yutien in the Demilitarized Zone, is in progress. After the reorganization, it is understood, only 750 will be retained, while the rest will be disbanded with an allowance of $10 each.

Discussions at Tientsin between the Chinese and Japanese authorities concerning the Demilitanized Zone are proceeding satisfactorily, according to *Central News*. The discussions, which commenced on May 6, were continued on the following day. Yin Ju-ken, Administrative Inspector of the Chihsien-Miyun area, who is participating in the talks, is scheduled to return to Peiping May 8.

The Demilitarized Zone Rehabilitation Commission was abolished in Peiping May 1, and the unfinished affairs are referred to the two special administrators for the Luanchow-Shanhaikwan and Chihsien-Miyun areas for disposal.

CHINESE ENTERING GREAT WALL SUBJECT TO SEARCH

Chinese travellers entering the Great Wall from Manchuria are subjected to search by "Manchukuo" agents and to be relieved of any pictures, papers, and whatever documentary materials which might tell the true state of affairs in "Manchukuo," according to *Central News*.

General Ho Ying-chin, Minister of War and concurrently Chairman of the Peiping Branch Military Affairs Commission, returned to Peiping May 6 after an inspection trip to Hsinan and Tsingtao. While on his way to Peiping from Tientsin, General Ho inspected the troops under Generals Fu Chan-kwei and Meng Chi-chung at Langfang.

Col. Yuan Liang, Mayor of the Peiping Municipality, arrived at Mokanshan from Shanghai May 2 to see General Huang Fu and report on the general conditions and the Sino-Japanese situation in North China.

Li Tsi-yi, member of the Peiping Political Council, who recently visited Japan and Formosa, was also in Mokanshan last week to see General Huang Fu.

Chang Hei-lien (Black-face Chang), a notorious bandit leader, who had been terrorizing the countryside in southern Shantung for the past two decades, and his two henchmen, were executed at Tsinan on May 6 by order of General Han Fu-chu, Chairman of the Shantung provincial Government. They were recently arrested at Pengpu.

SIXTEENTH ANNIVERSARY OF STUDENTS' MOVEMENT OBSERVED IN PEIPING

May 4 marked the 16th anniversary of the Students' Movement in Peiping, an occasion generally considered as turning point of modern Chinese culture. No memorial services, however, were held. Sixteen years ago on May 4, student bodies marched to the government offices in Peiping, then Peking, and attacked the so-called "five traitors" as a protest against their policies. The uprising found echoes in every direction and marked the beginning of a period in which the latest ideals and ideals from the West were introduced into China. The movement resulted in the shattering of established Chinese traditions and conventions in political and social lives in the country.

MONGOLIAN CHIEFS TO PAY OFFICIAL VISIT TO NANKING

Following the close of the 2nd plenary meeting of the Mongolian Local Autonomy Political Council at Pailingmiao last week, high officials of the Council, including Prince Yun, the Chairman, Prince Teh, Secretary-General, and the various members are planning an official visit to Nanking. They are scheduled to leave Pailingmiao on May 7 and due to arrive at the Capital before the 15th last.

Owing to fatigue resulting from his recent travels, the Panchen Lama, spiritual leader of Tibet and Cultural Com-

missioner for the Western Border, who arrived at Lanchow a few days ago from Sian, provincial capital of Shensi, is now suffering from a tooth-ache. Dr. Sung Tse-an, President of the Chungshan Hospital there, is attending to him.

GENERAL CHIANG KAI-SHEK TO DIRECT ANTI-RED CAMPAIGN IN YUNNAN

General Chiang Kai-shek informed *Reuter's* correspondent on May 3 that he is plaining to visit Yunnan province by air as soon as flying conditions permit. The Headquarters at Kweiyang express no anxiety about the situation at Yunnanfu, which is quiet. Meanwhile, a striking indication of the peaceful conditions which have returned to Kweiyang and the surrounding districts was afforded on May 3, when General and Madame Chiang Kai-shek made a tour of inspection in the countryside for a radius of 20 miles south of the provincial capital. Much of their tour was made afoot. The distinguished couple inspected several villages occupied by Miao tribesmen, who thanked the Generalissimo for having restored to them conditions under which they could live and work in peace and security. The Generalissimo was much impressed with the difficulties in the way of opium suppression when he saw for himself how extensively the poppy was still being cultivated.

General Hsieh Yo, Director of the Kweiyang Pacification Headquarters and concurrently Field-Commander of the 2nd Route Army, arrived at Kunming (Yunnanfu) on May 4. He called on General Lung Yun, Chairman of the Yunnan Provincial Government and concurrently Commander-in-Chief of the 2nd Route Army of the Bandit-suppression Forces, to report on the operations against the remnant "Red" outlaws invading Kweichow and Yunnan.

Interviewed, General Hsieh stated that upon instructions of General Chiang Kai-shek, he has come to Yunnan to drive the outlaws out of the province. The remnant "Reds" have now escaped to Wuting and Yuanmow, respectively 70 and 128 miles north-west of Kunming, and are attempting to cross the Kin Sha Kiang (River) northwards to invade south-western Szechuan. The Government troops, intent on totally liquidating them on the southern bank of the River, are close on their heels.

Reports are conflicting concerning the movements of the Communists in Yunnan, the latest reports (May 1) stating that a large body of Reds is concentrated at Yilung, about 50 miles north-east of Yunnanfu. Pursuing Government troops from Kweichow are said to have reached Kutsingfu, about 100 miles northeast of Yunnanfu, and to be advancing rapidly against the enemy. Other messages place the Communists in the neighbourhood of Hsuanwei, 200 miles from Yunnanfu, but these probably refer to a different concentration.

FOREIGN WOMEN AND CHILDREN EVACUATE YUNNANFU

Messages from Yunnanfu state that the majority of foreign women and children there evacuated the city by train on April 30, going to Haiphong. The rest are following as soon as possible.

The vanguards of the Red forces in Yunnan were reported to be 15 miles north-east of the Yunnan capital on May 1, with Nanking troops in close pursuit.

The wife of one American Consular official has left and Consular officials themselves are reported to be ready to evacuate with their archives in the event of a more serious emergency.

A request for information concerning the whereabouts of Misses Trefren and Bush, two missionaries stationed at Annan, Southwest Kweichow, from the American Consul at Yunnanfu, was received at Kweiyang on May 1 by the China Inland Mission. News is lacking concerning the present whereabouts of the two women.

Nine Japanese women and children in Yunnanfu left for Hanoi on May 1 because of the Red menace to the city, according to a *Rengo* dispatch May 4.

YUNNAN CAPITAL SAFE FROM RED INVASION

With the flight of the remnant "Reds" towards the Kin Sha Kiang (River), the Central Government and Yunnan troops are giving chase to the marauders in northern Yunnan. Lieut.-General Sun Tu, Field-Commander of the 3rd Column, is now at the front personally directing the operations.

The cities of Anlung and Hingi, southwestern Kweichow, and Pingi, eastern Yunnan, have been recovered by Government troops.

NEW KWEICHOW CHAIRMAN ANNOUNCES ADMINISTRATIVE POLICY

The administration of Kweichow province will be divided into three stages, namely, bandit-suppression, rehabilitation and reconstruction. This statement of policy was made by General Wu Chung-hsin, the new Chairman of the Kweichow Provincial Government, on May 5.

In announcing the policy of the new Provincial Government, General Wu said that attention must first be directed to the suppression of the bandits and pacification of the people, institution of the *Pao-Chia* (mutual guarantee) system, and strengthening of peace and order. Next, officials must be appointed on their merit, officialdom must be purged of corruption, and Special Administrative Commissioners appointed in order to enhance administrative efficiency.

The budgetary system will be enforced immediately with a view to achieving a balance in income and expenditure and a sound financial basis. As regards education, efforts will be made to promote rural and productive education as well as the education of the Miao tribes.

In the field of reconstruction, General Wu continued, the first step to be taken by the Provincial authorities will be to complete as soon as possible the Kweichow-Hunan and Kweichow-Szechuan Inter-provincial Highways. Attention will then be turned to the promotion of productive enterprises, development of mining, and construction of the Yamchow-Chengtu Railway.

KWEICHOW IS CLEARED OF COMMUNISTS

Reuter reported on May 1 that the whole of Kweichow province has now been cleared of Communists with the exception of the south-west corner, where a disorganized Red army is still playing hide-and-seek with the pursuing Government troops. The Reds were now mainly in the neighborhood of Maling, north-west of Tsinyih, with their pursuers gradually closing in on them.

A Canton dispatch states that the "Red" menace to Kweichow having been removed, the 7th Kwangsi Army under Lieut.-General Liao Lei has been recalled back to northern Kwangsi from Kweichow.

GENERAL CHIANG INTERESTED IN THE WELFARE OF THE MIAO TRIBES

On May 4, General Chiang addressed the members of the Kweichow Provincial Party Headquarters. In the course of the speech, he emphasized four points.

Firstly, he said, the people should be instructed to cooperate with the Government in detecting the arms and ammunition hidden by the roving bandits, especially those wounded and disabled by sickness.

Secondly, the people, should be mobilized for the construction of highways.

Thirdly, special attention should be paid to Party work in the outlying villages and rural districts.

Fourthly, he said, the living conditions of the Miao tribes in Kweichow should be investigated immediately, and measures devised for their organization and education, so that they may also cooperate in the work of reconstruction.

General Chiang is now busily engaged in putting administrative affairs in Kweichow into shape. Speaking at the inauguration of the new provincial government under General Wu Chung-hsin, General Chiang emphasized the necessity of establishing a provincial budget and arranging for the education of the Miao tribesmen. He suggested the foundation of a school at Kweiyang, where the provincial government would pay for the education of three to seven children from each of the 70 tribes.

Taking advantage of the good weather conditions on May 6, a squadron of bombing 'planes belonging to the air forces of the Government's military forces in Kweiyang flew to Yunnanfu to establish a base for aerial operations against the Communists infesting the province.

FIGHTING WITH REDS RAGES IN VICINITY OF CHIENKUO

Serious fighting has been raging in the vicinity of Chienkuo, northern Szechuan, during the past few days between the Communists and the Government troops. The main Red forces under Hsu Shang-chien after being routed by the Government 1st Division under General Hu Tsung-nan at Pingwu have retreated to Chienkuo in an attempt to occupy Kianyu and Hsinmin. However, when they arrived at Chienkuo, they were overtaken by the Government pursuit forces and as a result, heavy fighting has ensued.

Two important Red strongholds in Northern Szechuen near the Shensi border, Chaohua and Tsitung, which had been under Communist occupation for a considerable time, have at last been captured by the Government troops after several days of serious fighting between the Reds and the two brigades of the Government's 28th Army. Both of the cities were occupied on April 30.

According to military intelligence reports, a large Communist force is now being concentrated at Tsunghua-chang, northern Szechuan, where the recently impressed Red soldiers are being organized and undergoing rigid training. It is learned that the Red Commissariat and munitions dump are also located at the place. The reports further state that during April 26 and 27, the Reds on the eastern bank of the Hsiangsui river in Chinglien were considerably reenforced. Several attempts had been made by the Reds to cross the River into the opposite bank by boats and rafts, but all of them had been successfully repulsed by the Government troops.

Li Chih-kang, member of the Shensi Provincial Government, arrived at Chungking from Hankow by plane May 3. On behalf of General Yang Hu-cheng, Director of the Sian Pacification Headquarters, Mr. Li will confer with the Szechuan authorities concerning the plans for joint suppression of the "Reds" under Hsu Hsiang-chien along the Szechuan-Shensi border.

General Sun Che, Commander of the 29th (Szechuan) Army, in a telegram to the Central Government, announced his assumption of duties at Mienyang, north-western Szechuan, on the 1st. General Sun was formerly Vice-Commander of the 29th Army and was promoted to succeed General Tien Sung-jao, who was dismissed by General Chiang Kai-shek last month on account of his negligence which resulted in the "Reds" under Hsu Hsiang-chien crossing the Kia Ling (River) westwards.

HUNAN CHAIRMAN REPORTS SUCCESSES OVER COMMUNISTS

General Ho Chien, Chairman of Hunan and concurrently Commander-in-Chief of the 1st Route Army of the Bandit-suppression Forces, in a report at the weekly memorial service at Changsha on May 6, stated that since their incursion into the neighborhood of Tzeli city, 60 miles north-west of Changteh, northern Hunan, the activities of the remnant "Reds" under Hsiao Ko and Ho Lung have been intensified. Through the joint suppression of the Government troops, however, they have suffered severe setbacks and forced to retreat westwards in the direction of Shangchih, north-western Hunan. Hunan troops are now garrisoning Tzeli and strengthening the defence works there.

The city of Chengfeng, south-western Kweichow, has been recaptured by the Government troops while the remnant "Reds" at the cities of Lotien and Hingtien have also been driven out. Heavy casualties were inflicted on the marauders at the battles of Kuanyintung, Sankuanying, Lutuying, Kiuying and Hungfachiao, where the main forces of the "Reds" were almost annihilated.

A pitched battle was fought for two days on May 1 and 2 between the Government troops under General Li Chia and the Communists under Hsiao Keh and Ho Lung, when the latter attempted to invade the Chinchiashan and Sungchiayin districts near Tayung, western Hunan, according to an official communique received at Changsha from the front May 6. There full brigades of Government troops were thrown into the battle, as a result of which the Reds suffered enormous casulties and were finally routed late in the evening.

Following the example of Li Tsung-pao and Kuang Chu-chuan, a telegram from Changsha states that Kung Ping-fan, Commander of the 4th "Red" regiment in south-eastern Hunan, has also surrendered to the Kweitung District Government. Kwang Chu-chuan, another "Red" bandit leader, has likewise surrendered to the Kweitung District Government in southern Hunan.

With the approval of General Chiang Kai-shek, nineteen districts in western Hunan, recovered from the "Red" bandits, have been formed into a Pacification Area by General Ho Chien. Lieut.-General Liu Chien-hsu has been made Pacification Commissioner of Western Hunan.

GENERAL CHANG HSUEH-LIANG RETURNS TO HANKOW FROM TRIP TO KWEIYANG

General Chang Hsueh-liang, Director of the Provisional Headquarters of the President of the Military Affairs Commission, returned to Hankow from Kweiyang by airplane at 6 p.m. May 3 after reporting to General Chiang Kai-shek on his inspection of the troops stationed in Honan and Shensi.

GENERAL WANG CHIA-LIEH RELINQUISHES ALL POSTS IN KWEICHOW

General Wang Chia-lieh, until recently Field-Commander of the Pursuit Units of the 2nd Route Army of the Bandit-suppression Forces, who arrived at Hankow from Kweiyang on May 3, called on General Chang Hsueh-liang and General Chang Chun, Chairman of the Hupeh Provincial Government on May 4. In an interview, General Wang stated that he is now exhausted as a result of years of civil and military service as Chairman of the Kweichow Provincial Government and concurrently Commander of the 25th Army. After his resignation from his civil post, he said, he repeatedly appealed to General Chiang Kai-shek to allow him to relinguish his military posts. General Wang further stated that his request has been granted by General Chiang. He has been detailed to the Wuchang Headquarters for duty.

General Wang Chia-lieh arrived at Nanking from Hankow May 7 on his first visit to the Capital and will call on Wang Ching-wei, President of the Executive Yuan, and other high officials of the Government.

The surrender of Chang Te-shan, Chairman of the so-called North-western Anhwei "Soviet" Government, is reported by General Liang Kuan-ying, Commander of the 25th Army, in a telegram to the Wuchang Headquarters of the President of the Military Affairs Commission. A native of Lihuang district, western Anhwei, the bandit leader was formerly a worker in a weaving mill and joined the Communist Party in 1928. During the past seven years, he has held several important positions in the "Red" Army.

FORMER DIVISION COMMANDER IN HONAN EXECUTED

Tsui Pang-chieh, former commander of the 35th division, was shot at Kaifeng, Honan, on April 18. The charge against him was that he had assassinated Gen. Peng Chi-pao, former chief of staff to Gen. Liu Chih, chairman of Honan province, at the end of 1931.

A Summer Training Class for District Magistrates of the five provinces of Honan, Hupeh, Anhwei, Kiangsi and Fukien, which have been cleared of bandits, will be organized under the auspices of the Military Affairs Commission.

SINO-FRENCH PROTOCOL CONCERNING ANNAM SINGED

The Ministry of Foreign Affairs on May 4 announced that the Protocol relative to Lists A and B forming Annex I to the Convention regulating the relations between China and France concerning French Indo-China and the adjoining Chinese provinces was signed at 4 p.m. May 4 at the Ministry of Foreign Affairs by Wang Ching-wei, President of the Executive Yuan and concurrently Minister of Foreign Affairs, and Henri A. Wilden, French Minister to China. The Convention was first negotiated five years ago between Dr. C. T. Wang, then Chinese Foreign Minister, and Comte de Martel, the French Minister accredited to China at that time, and was formally signed on May 16th, 1930.

The condition of the veteran Party leader, Hu Han-min, has again become serious as the result of a recrudescence of his recent illness. This gives much cause for anxiety and on May 3, Tsui Kwang-hsiu and Li Seng-keng, members of the Southwest Political Council, came to Hongkong specially from Canton to inquire after his health.

Railway Ministry Adjusts Loans, to Raise Funds for New Lines

Tseng Chung-min, Vice-Minister of Railways, declared in an interview in Shanghai last week that the Ministry is taking steps to readjust its loans and also planning to raise funds for the construction of new lines in the country. Mr. Tseng said that the credit of Chinese railway bonds abroad is gaining daily and that their prices are rapidly rising.

Chinese Railways' Through Traffic Shows Good Profits

A total of $25,791,461.61 in net revenue receipts was realized during last year on through traffic services of the various Government railways, according to a report issued by the Ministry of Railways last week. Of the above total $8,635,673.61 came from passenger traffic, while $17,155,788.00 was from goods transportation. In order to promote the through transportation traffic, the Ministry of Railways has decided to summon a National Railway Through Transportation Conference to be held at the Ministry on May 16.

Negotiations have been started for a loan of $1,300,000 from Shanghai bankers and the Pekin Syndicate for the extension of the Taokow-Chinghua Railway, in northern Honan, according to Fan Sui, Managing-Director of the Railway, after a visit to Shanghai.

Yellow River Bridge to Be Rebuilt Upon Expiration of Present Insurance

In view of the expiration of the insurance on the Yellow River Bridge of the Peiping-Hankow Railway line, the Ministry of Railways has decided to build a new bridge in the upper reaches of the River in order to insure safety of travel on the line.

Large-Scale Reconstruction Plan for Kiangsi Is Drawn Up—Overseas Chinese to Assist

A large-scale program of reconstruction for the rehabilitation of the province of Kiangsi, which is suffering from economic and rural bankruptcy, has been drawn up by the Kiangsi Provincial Government.

Chinese residents in the Malay Archipelago are making active preparations for industrial investment in Kwangsi province, it is learnt at the Central Overseas Affairs Commission. Huang Yen-kai, Consul at Penang, in a cable to the Commission, reports that a group of Chinese residents in British Malaya has organized a preparatory Committee at Singapore for the establishment of a Chunghua (Chinese) Industrial Company, Ltd.

T. L. Soong, general manager of the China Development Finance Corporation, proceeded to Nanchang by a special airplane of the Eurasia Aviation Corporation last week for the purpose of signing the loan contract with the Kiangsi Provincial Government for the projected waterworks and electric power plant in Nanchang. He also visited the various districts recovered from the "Reds". The terms arranged between Mr. Kung, the Provincial Commissioner of Reconstruction, and Mr. Soong, call for an outlay no less than $3 millions for the two enterprises. Of this sum, $800,000 will be appropriated by the Kiangsi provincial Government and the balance of $2,200,000 will be provided by the China Development Finance Corporation.

Nanking Investigating Committee Compiles List of Revolutionary Debts

Eleven kinds of bonds issued under the authority of the late Party Leader, Dr. Sun Yat-sen, to finance the Revolution have been listed by Huang Po-yao, General Secretary of the Central Party's Investigation Committee for debts incurred during the Revolution. The work of the Committee, which was formally inaugurated on April 10, is divided into two stages, firstly, to secure a list of the bonds issued during the early revolutionary period, and secondly, to compile a register of outstanding bonds. So far, only 11 kinds of the various revolutionary bonds have been reported to the Committee and photographed for record. Bonds issued by Dr. Sun in America have not yet been submitted for record, and a special request has been made to overseas Chinese in the United States to report their holdings. During the Tung Men-hui period, before the founding of the Republic, bonds of the denomination of $100 were issued both in the Straits Settlements and Annam. Those issued in the Straits were printed in English and Chinese; and those issued in Annam were printed in French and Chinese. In 1915, bonds of the denominations of $10, $100, and $1,000 were issued in Japan. In 1919, a Military Domestic Loan was issued. The bonds were classified into four denominations, namely, $5, $10, $100, and $1,000. In 1922, bonds of the denomination of $5 were issued by the then Ministry of War. During the Tung Meng Hui period (Pre-Republic), a number of Revolutionary Military bonds of the denomination of $1 and $5 were also issued.

Export Duties on Native Manufactures to Be Reduced

With a view to encouraging the export of native goods, the Ministry of Finance is considering the exemption from export duty on various products. A set of regulations governing the exemption from duty of such goods is now being drafted by the National Tariff Commission. According to the draft regulations, goods manufactured with Chinese capital and native materials may be exempted from export duties with the approval of the Ministry of Finance. In applying for the exemption, however, the manufacturers concerned must submit their full reasons.

The Spring Native Goods Exhibition sponsored by the Ministry of Industry was formally opened in Nanking May 3. The opening ceremony was presided over by Chang I-ou, technical expert of the Ministry of Industry. A report on the preparations for the Exhibition was made by Pang Pe-hsun, Director of the Native Goods Exhibition Hall. Altogether 124 factories are participating in the Exhibition.

Legislative Yuan Head to Inspect Conditions in Northwest

Sun Fo, President of the Legislative Yuan, departed from Nanking May 9 on a trip of inspection to the northwestern provinces, where he will not only study the conditions of the people with a view to future legislation but will also inspect the reconstruction enterprises in the northwestern provinces. He is accompanied by Liang Han-chao, chief Secretary of the Legislative Yuan, Chao I-tang, member of the Yuan and a native of Shensi, and three others.

Special Fishery Group to Study Marine Products Along the Coast of China

Under the auspices of the Academia Sinica, a special fishery investigation group has been organized to study marine products along the coast. According to tentative plans, the investigation will cover a period of four years. The first year will be devoted to study of the marine products in the Gulf of Chihli, along the Hopei-Shantung coast, the second year to the Chekiang coast, and the third and fourth years to the Fukien and Kwangtung coast.

Gen. Yen Hsi-shan Sponsors Establishment of Moving Picture Concern

Under the auspices of General Yen Hsi-shan, Director of the Taiyuan Pacification Headquarters, preparations for the establishment of a Northweastern motion-picture company have been completed by Shih Chi-pu of the United Photoplay Service Co. The Company will be capitalized at $100,000. It is learnt that the first picture will deal with the development of the Tatung-Puchow Railway, which runs from northern to southern Shansi. The second picture will have as its theme Shansi's part in the 1911 Revolution which brought about the establishment of the Republic.

General Chiang Speeds Up Road Construction in Kweichow

General Chiang Kai-shek, who is now directing bandit-suppression operations at Kweiyang, has ordered the completion of all four trunk provincial highways, linking up the provincial capital with eastern, western, southern and northern Kweichow, in order to expedite the bandit-suppression campaign in the South-west.

Central Factory Inspection Bureau to Summon National Conference

In order to discuss and introduce reforms in factory administration, the Central Factory Inspection Bureau has decided to summon a National Factory Inspection Conference at Nanking in the latter part of the year. As soon as the summoning of the Conference is approved by the Ministry of Industry, the Bureau will start preparations.

Income Tax to Be Enforced on July 1

The Nanking Government will start to enforce the income tax regulations from July 1. It is estimated that the revenue derived from the tax will total more than $10,000,000 a year.

Abolition of Transit Dues to Become Effective June 1

In compliance with a petition of the Ministry of Finance, the Legislative Yuan May 3 approved the abolition of the transit dues and decided that the abolition is to become effective from June 1.

Inheritance Tax Regulations Drafted by Finance Ministry

Preparations for the institution of an inheritance tax in China are under way. It is learned that regulations governing the enforcement of the projected tax are being drafted by the Revenue Department of the Ministry of Finance.

Indicative of the extensiveness of the trade depression which has hit Canton, more than 3,000 shops in the city, mostly of small capitalization, have been closed since the beginning of the year.

The general budget for the Hupeh Provincial Government (July 1, 1935-June 30, 1931) calls for income and expenditure to be balanced at $24,260,000. Lu Mu-ting, financial commissioner of the Hupeh provincial government, reported that the province would probably experience financial difficulties during the next fiscal year because of drought, floods and other natural calamities.

The rate of the licence tax for foreign wines for grade B, Foreign Wines, has been raised from $10 per quarter to $15 per quartet.

Revolt in the Philippines---Filipino Senator in Japan Places Blame on the U. S.

Senator Beniogno Ramos, leader of the radical Sakdalista society, at present in Japan, in an interview May 6, laid the blame for the insurrection in the Philippines squarely on the shoulders of the United States Government. He denied that the Sakdalista organization was responsible for the outbreak of violence. "The oppression of our people by the Government of the United States," Senator Ramos said, "was a significant factor in the events which led to the revolt. Americans are a good people, but their Government acts out of accord with their desires".

Senator Ramos declared that he was "absolutely innocent" of the bloody events in the Philippines. Commenting on the rumors that the United States Government was negotiating with the Tokyo authorities on his repatriation to the Islands, the Senator said that this could be done only if he were a traitor. Although the Philippine Administration announced that the insurrection was suppressed, the movement for independence of the Islands will never die, with the members of the Sakdalista leading the "fight for Fatherland", Senator Ramos declared. He also told the press that he was expecting to leave Japan for South America soon, to enlist there men of "similar ideas" and then to return to "my fellow workers who are awaiting my return in the Philippines".

SIXTY-ONE persons are dead and about as many were wounded as the result of a revolt which broke out in the provinces of Laguna, Rizal, Balacan and Cavite, in the island of Luzon, Philippine Islands, May 3. The insurgents were mostly farmers, who have been hard hit by the economic crisis. The farmers belong to a group known as the Sakdalistas—the leaders of which, Dr. Romulo Ramos, and his son Senator Beniogno Ramos are both in Japan, where they have been allegedly trying to secure help for the revolt from the Japanese. The agitators for the revolt in the Islands spread a report that their leaders in Japan were getting such aid and were going to fly over from Japan to assist. However, it is alleged that Senor Ramos had telegraphed from Japan to postpone the proposed revolt until after the plebiscite on the constiturion to be held May 14. However, this message from Japan failed to reach the provinces in time and the revolt took place as scheduled. All telephone and telegraph lines within a radius of 12 to 15 miles out of Manila were cut. The first definite news was when the constabulary headquarters in Manila received a message from Colonel M. Nicdao, reading: "Cabuyao taken. Forty-seven outlaws killed. Many others taken prisoner. We are pushing the fight at Calamba but need plenty ammunition and shotgun shells." First reports of plans for a serious uprising were received by the constabulary from "under-ground" sources the previous night. It was reported that the Sakdalistas had planned to attack the city of Manila at midnight. Troops were rushed to the various trouble centers in an effort to frighten the radical farmers and their agitators. At the town of Santa Rosa, in Laguna Province, however, the troops were ambushed by a sizable mob of farmers and one officer was killed and six constabularymen were wounded in fierce hand to hand fighting. Two Sakdalistas were killed, two boys wounded, and at least four of the insurgents taken into custody. The next rioting took place in the town of San Ildefonso, in Bulacan Province, where the insurgents seized the municipal building. Seventeen constabularymen attacked the insurgents, killing six of their number as the bloody battle progressed through the streets of the town. One constabularyman was seriously wounded and 60 rioters were arrested. Similar, but less serious incidents, occurred in various other districts.

The rebels wore no uniforms. They were garbed mostly in khaki trousers and old shirts; their arms consisted of guns of various makes and the keen-bladed knives used for cutting sugar-cane.

A group of persons, supposedly members of the Sakdalista party, in the night of May 4 held up a passenger bus near Ipobulacan and killed one passenger. The driver of the bus is reported to have been severely wounded. It was also variously reported that Sakdalista sympathizers are massing in the hills of Bulacan, Rizal and Cavite Provinces. Meanwhile, news from United States tended to bring calm to the disturbed situation. Manuel Quezon, president of the Philippines Senate, told New York reporters that the great majority of Filipinos are not sympathetic and are not demanding the immediate independence sought by the leaders of the radical farm group. Senor Quezon scoffed at rumors published in several American newspapers that Japanese interests were behind the insurrection. "It is absolutely false that any responsible element is backing the revolt," he declared. "The report that the insurrection had Japanese financial backing is cynical. The movement was led by the irresponsible demagogue, Ramos, who after inciting the masses, has left the Islands."

Help of U. S. Marines Not Necessary to Quell Revolt

The revolt was one of the most violent in the recent history of the Philippines. The worst fighting occurred at Gabuyao, in the Province of Laguna. The Constabulary gained the upper hand over the insurgents unassisted. The assistance of the 18,000 United States troops stationed near Manila was not necessary. The United States War Department did not take official cognizance of the uprising. Many arrests have been made.

Reports from all sides discredited the idea that there was any Japanese conection with the revolt. The Acting Governor-General, Mr. Hayden, after a visit to Northern Luzon May 4 said, "The Government has absolutely no information or suspicion that the Japanese are connected in any way whatever with the Sakdalista movement." Ignorant followers of Sakdalista agitators had allegedly been informed that Japanese interests were behind the move and that Senor Ramos would appear on the scene while the insurrection was in progress, dropping bombs from aloft upon public buildings. Although the revolt has been quelled, for the time being at least, the root causes of the trouble still exists, and minor sporadic outbreaks are reported almost daily.

The Governor-General, Frank Murphy, said, at White Sulphur Springs, Va., that the uprising was due partly to the policies of the United States in dealing with the Philippines and partly to world economic conditions. He said that President Roosevelt had authorized him to call a trade conference in Manila immediately following the inauguration of the Commonwealth. There has lately been growing discontent in Laguna Province due to the fact that coconut prices have been badly affected by the collapse of world markets," the Governor-General explained. For the past two years, the Philippines have been the world's outstanding example of law and order. I cannot over-stress the fact that the present outbreak is not characteristic of general conditions in the Islands. "The United States must make a thorough study of the situation and work out a stable economic background, thus averting recurrence of affairs of this kind."

The general upset in economic conditions throughout the world has been accentuated in the Philippine Islands through the operation of the economic provisions of the independence procedure. American capital, particularly in the sugar and coconut oil industries, which have received extraordinary preference into the United States up until the independence moment became more than mere talk, is gradually being withdrawn, and Filipino farmers, who have up until recent years, enjoyed a standard of living unknown to any others in their class in Asia, have found themselves faced with prices for their products that barely cover the cost of production. They are thus easy prey for agitators.

Moros Murder Three Japanese in Davao

A band of Moro outlaws raided an isolated spot near Guianga, Davao, and murdered three Japanese, Kichi Harada, his wife, Kinzo and their son, Tameo in the latter part of April. The children who survived the raid said the three Moros did the killing. Ths slayers stole a sum or money and an old phonograph.

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Philippines Educational Party Tours Japan Under Guidance of Japanese Priest

A Philippines Educational Tour Party, consisting of 63 members, mostly professors and students, under the leadership of the Rev. Hideo Yamanouchi, priest of the Honganji branch in the Philippines, have been visiting in Japan for several weeks. At a tea reception, given in the *Osaka Mainichi* auditorium representatives from 10 leading educational institutions in Kansai, exchanged views with the visitors. The Japanese students put on a program of Japanese songs and dances and the visitors in return offered native Filipino dances and Filipino songs.

Japan Amateur Athetic Federation Sponsors Meet with Filipinos

Reversing a former decision, the Japan Amateur Athletic Federation May 5 announced that it would sponsor a Japan-Filipino athletic meet in June. Under tentative plans, 36 Filipino boxers, baseball players and track and field stars will be brought to Japan. Inability of the J. A. A. F. to raise Yen 40,000 to finance the visit of the Filiping athletes led to the dropping of the whole project on April 19 in spite of the earnest efforts of Dr. Regino Ylanan, Philippines Secretary of the Treasury and honorary director of the Philippine Amateur Athletic Association, to promote the meeting. Japanese athletic officials at that time estimated that about Yen 25,000 could be obtained from gate receipts at the baseball, and track and field meets but that a balance of Yen 15,000 of the required funds would have to be raised elsewhere.

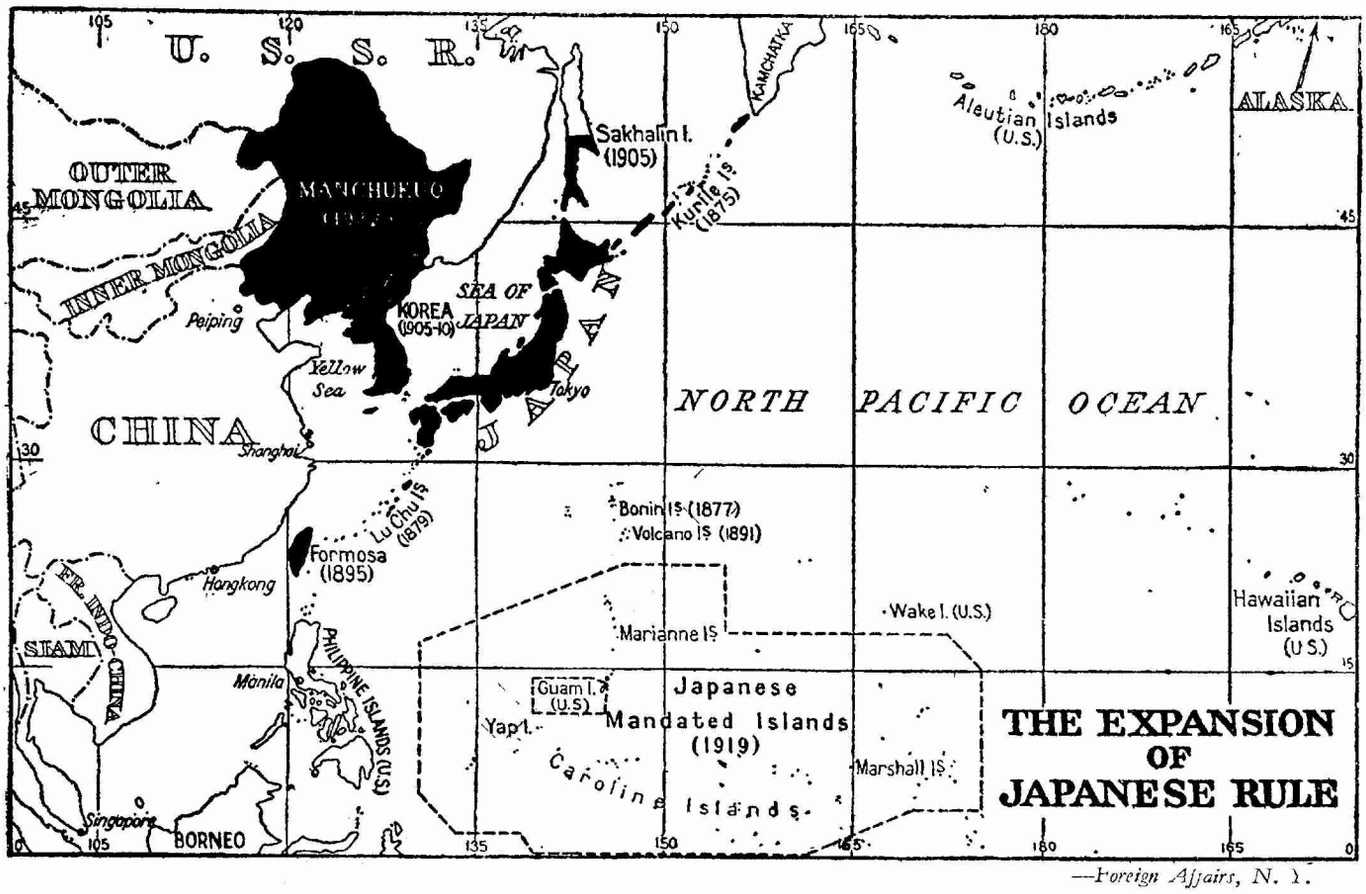
Japanese Penetration in the Philippines—Own Half of Davao Province

Investigations carried on by the Philippines Department of Agriculture (details of which are given in a dispatch from Manila appearing in the *Chicago Tribune* of March 31) showed that the Japanese in Davao, the richest province in Mindanao, have occupied 148,000 acres of farmland, fully 74,000 acres of which are in their possession in violation of the public land law. The inquiry also produced the information that 13,000 Japanese citizens reside there, that the Japanese merchants of Davao, the capital, maintain direct freight and passenger service with Japan, and that the province, indeed, is so Japanized that it should be called Javao instead of Davao. The Japanese actually control over one-half of the entire area under cultivation in the entire province.

The clever method of penetration the Japanese have employed in Davao, as revealed by the investigators, is interesting. Up to 1919 there had been no law barring Japanese and other aliens from purchasing or leasing public lands. From 1919 to 1933, Japanese and other aliens could still buy or lease lands on the plea of reciprocity, as the law provided that citizens of other countries whose laws did not bar Filipino citizens from acquiring public lands in such countries might enjoy a commensurate privilege in the Philippines. Since 1933 the public land law as amended has required positive proof of such reciprocity. It has in no case been given. When Francis Burton Harrison became governor general he inaugurated a program of rapid economic development and opened Mindanao to settlement under the cafeteria system—settlers simply occupied and cultivated their plantations and then applied for permits to purchase or lease them from the government later. It was then that the Japanese grabbed much of the land they now hold legally. The Harrison policy was rescinded in 1931 after the Japanese problem in Davao had reached serious proportions.

Kobe Welcomes 75 Members of Philippines Agriculture Congress

A party of 75 members—35 of them women—of the Philippine Agricultural Congress Goodwill Tour arrived in Kobe April 26. The party, under the leadership of V. T. Fernandez, Philippine representative at Costa Rica, is to spend approximately 15 days in Japan sightseeing, studying, and making business contacts.



—*Foreign Affairs, N. Y.*

Rapid Expansion of Japanese Rule

BY EDGAR PACKARD DEAN

(*Reprinted from Foreign Affairs, N.Y. for April*)

WITHIN the recollection of men still alive, Japan has evolved from a small feudal principality voluntarily shut off from the rest of the world to the status of a Great Power whose influence is felt in every quarter of the globe. Seventy years ago Japan had a population of 33 million. The present Japanese Empire, excluding Manchuria, has 92 million subjects, a total surpassed only by the United States, the British Empire, Russia and China.

The Consolidation of Japan Proper.—At the time of the Meiji Restoration in 1868 Japan consisted of the four large islands of Hokkaido, Honshu, Shikoku, and Kyushu, and a peripheral zone of 4,068 islets. The total land area was 146,689 square miles. The country was economically self-sufficient; and the population, some 30 million, had been stationary for a century and a half.

The first instances of expansion should be regarded as the realization of nominal claims of sovereignty. In 1875 the *Kuriles*, a chain of thirty islands lying to the northeast, were formally annexed (see map). The islands had and still have a primitive economy, furs and fish being the principal exports. Two years later Japan acquired the *Bonin Islands* after a period of contested ownership with the United States. These are a group of 27 islands, with a population of 5,000 souls; they have a vegetation of tropical luxuriance and possess many valuable woods. (The adjoining *Volcano Islands* were annexed in 1891.) In 1879 the *LuChus* were annexed by virtue of Japan's position as feudal overlord. The LuChus form an archipelago of 55 islands. The soil is fertile, and crops are fairly diversified, sugar cane being the most important. The people are of the same racial stock as the Japanese.

Formosa (Taiwan) was acquired from China in 1895 as a result of the Sino-Japanese War. This is a tropical island situated a hundred miles off the Asiatic coast, with a land area of 13,840 square miles. It is Japan's tropical storehouse *par excellence*. Tea, rice, lumber and sugar are produced in abundance, sugar being considered the most important for the future development of the island. Camphor woods are extensive and the world output of camphor is virtually controlled by Japan. Formosa and the neighboring Pescadores have a population (1932) of 4.6 million, of which 94 percent are Chinese. The Japanese, though only 5 percent of the total population, control the island's political and economic life.

Korea (Chosen).—Economic preponderance in the independent kingdom of Korea (85,613 square miles) was granted to Japan in 1905 as a result of the Russo-Japanese War. Formal annexation

came in 1910. Korea is mainly agricultural, the chief crops being wheat, barley, rice and the soya bean. In 1910 the population was 13-3 million; in 1932 it was 20.5 million, of whom only 2.5 percent were Japanese. Here, too, the Japanese colonists dominate the political and economic life.

Sakhalin.—By the Treaty of Portsmouth in 1905 Russia gave all the island south of the fiftieth parallel to Japan. The Japanese part, Karafuto, has a land area of 14,000 square miles. The island has a cold, foggy climate with only one hundred days suitable for crops. Fisheries, forests and mines constitute the basis of the economic life. Small but rich coal deposits are being actively developed. Of a total population of 295,000, nearly 98 percent are Japanese.

The Mandated Islands.—One of Japan's few gains at Versailles was a mandate over the formerly German-owned islands in the Pacific comprising the Marianne, Caroline, and Marshall groups. The Mandated Islands are a salient dividing the United States possession of the Hawaiians in the east from the Philippines in the west, and making Guam an isolated American colony in a Japanese sea. The Mariannes have a fertile soil adapted to the raising of sugar cane, and Japan has done much to promote this crop. The Carolines, with valuable phosphate mines, are the administrative and naval center for the entire mandated zone. The Marshalls are rich in coconut palms and copra. The three archipelagoes as a group are highly valuable to Japan. They are valuable for strategic reasons, for their products, and as an outlet for Japanese emigration. As a result of government policy, the population of the islands has increased from 52,000 in 1920 to 80,500 in 1933. Of this gain of 28,500 all but 1,500 were emigrants from Japan. It is these Mandated Islands that Japan has been accused of fortifying in violation of the Treaty of Versailles.

Manchukuo (including the Kwantung Leased Territory and the South Manchuria Railway Zone).—Territorially this is the largest of the areas controlled by Japan. It comprises some 548,000 square miles, an area more than twice the size of Texas, and has a population of 31 million, of whom 2.7 percent are Japanese. Of all the areas under Japanese control, Manchukuo is by far the most valuable. The soil is fertile and gives Japan a supply of many food products. The amount of cotton which is raised can be increased, though never to the point of supplying the mother country with all its needs. There are extensive mines of coal and iron, key minerals in which Japan is very deficient. As an outlet for population and as a source of raw materials, Manchukuo is invaluable to overcrowded, industrialized Japan.

This brief sketch of the growth of the Japanese Empire reveals several significant facts. In the first place, the expansion of the Empire was not an affair of logic. It had begun even before Japan was mistress of her own household. Expansion into the Pacific and over the Asiatic continent was simultaneous, forcing Japan to become both a naval and a land power. In the second place, many of the Japanese gains have been made at the expense of China, and this despite the fact that the two Powers have been formally at war for only a few months in a sixty-year period. Thirdly, the number of Japanese in the colonies is not large. Only 5 percent of the population of Formosa is Japanese; in Korea the proportion is only 2.5 percent; and in Manchukuo 2.7 percent.

Lastly—and this is a strategic consideration—the Japanese possessions are so situated as to form two cordons of defense against any approach to Eastern Asia by sea. The inner defense lies along the line of the islands of Japan proper, extending northeast to the Kuriles and southwest to Formosa. The outer cordon is a great arc, beginning on the Japanese mainland behind Tokyo, reaching east and south to the Bonin Islands, passing through Yap, and terminating south of the Philippines. Inside these two strategic lines, Tokyo can exercise its naval strength as it chooses. Japan is, indeed, free to become a continental power because she is already a Pacific power.

Japan Is America's Best Customer for Steel, Particularly Scrap

A new record for exports of iron and steel by the United States was set during March, with the total export amounting to 323,035 tons. Japan was the largest buyer, purchasing a total of 175,719 tons, which included 160,465 tons of iron and steel scrap.

America Must Improve Cotton Quality or Lose Foreign Export Trade, Says Delegate

Henry C. Taylor, official American delegate to the World Cotton Congress in Rome, Italy, May 4 cabled the United States Department of Agriculture that America must either abandon the foreign cotton market and, therefore, find other activities for the American cotton farmer or immediately develop a program of improving the quality of the cotton crop in the United States.

New U.S. Bonus Bill Passed—Veto Anticipated

In the fach of a virtually certain Presidential veto, the United States Senate May 7 passed the Patman Bill for immediate payment of the U.S.$2,000,000,000 Soldiers' Bonus with fiat money.

President Lin-sen's Son at Columbia University

BY GARDNER SOULE

Among the many Chinese students studying in America this year is James Lin (Ching Lin) son of the president of the Republic of China, Lin Sen. Young Mr. Lin is studying public utilities at Columbia University, New York City.

In five months of residence in the United States he has done much to solder good will and friendship between the two countries. As a sort of unofficial ambassador-at-large he has traveled almost everywhere throughout the country, and everywhere he has made friends. When he first came to this country, last Fall, he landed in California, and traveled all the way across the continent, making a stop of eight days at the World's Fair. Since then, he has taken flying trips to neinghboring cities and states almost every weekend.

During the Christmas holidays, young Mr. Lin visited Detroit, Indianapolis, and other central cities. At Detroit he met Henry Ford, the automobile manufacturer, and Walter P. Chrysler, of Chrysler Motors. At Detroit, upon his arrival, he was greeted by city officials, representatives of the Ford and Chrysler companies, and a battery of newspapar photographers and reporters. Mr. Chrysler put his private automobile at the disposal of Mr. Lin during the latter's stay in the city. Mr. Ford was met at a dinner. Later, Mayor Frank Couzens of Detroit officially presented Mr. Lin with the key to the city. During his stay, Mr. Lin carefully inspected the plants of the Ford, Chrysler, Dodge, and Packard automobile companies. He was interested in the mass production methods employed. "That's what we're going to have in China," he told an interviewer.

The Columbia University Alumni Club of Detroit gave young Lin a party; then the Stinson Aircraft Company extended its courtesy, and, among other things, took the visitor for a long air ride. When he returned to New York Mr. Lin was asked to speak over a national radio chain. So, on February 5, he spoke over stations WEAF and WJZ, and associated stations of the National Broadcasting Co., on the youth of America and China. His voice was carried to every part of the country, and to Europe, South America, and Asia.

At Columbia University, Mr. Lin lives just like the other students, and has made lots of friends among them. His room is No. 1122 in John Jay Hall, one of the dormitories. It is a single room, 8 by 15, and totally lacked decorations until Mr. Lin used his originlity and hung pictures, installed flower plants, brought in several rugs, and otherwise decorated it. Now it is just about the nicest-looking room in all the dormitories, because he has taken so many pains with it.

This is Mr. Lin's first year in America, and he has taken especial trouble to learn the ways of the people of the country as well as to learn his college text books. Since he has been here he has learned American slang, American superstitions, and American dance steps. On the other hand, he has taught American students some Chinese, as well as rudiments of his native music. His college chums make his engagements for him, and he rides the subways just the same as other college boys. The one big difference between American universitites and the Catholic college in Peiping from which he graduated lies in the late hours the American students keep, James says. He points out that he never stayed up until 2:30 a.m. for a dance or any other social engagement in China. This he has frequently done in America.

Next Summer, young Lin plans to travel throughout the South of the United States. He has some friends in Texas he will probably visit. His course at Columbia includes work in municipal government, public finance, and transportation problems. He believes China is going to need men in the future with a knowledge of these subjects. He came to America to study because almost every progressive leader of the Kuomintang, his father's political party, studied over here. These include Dr. Sun Yat Sen, founder of the party, and of the Republic.

Columbia University, N. Y., Apr. 13, 1935.

Husband of World's Richest Woman and Mahatma Gandhi Discuss the Machine Age

Doris Duke Cromwell, probably the richest woman in the world, has been making a tour of India with her husband who is James H. R. Cromwell, (author of "What Is Sound Money" and other books on economic subjects), and will shortly come on to China. A dispatch from Wardha, India, appearing in the *Chicago Tribune* of March 17 related how Mr. Cromwell and Mahatma Gandhi discussed the machine age. The dispatch mentioned that Gandhi did not refer to Mrs. Cromwell's wealth, nor to its source, the James B. Duke tobacco millions. Gandhi is opposed to the use of tobacco.

NATIONAL STATE LOTTERY ADMINISTRATION

LOTTERY NO. 11

DRAWN AT THE CANIDROME, SHANGHAI, 3rd MAY, 1935

1st PRIZE: (1 of $500,000) **189207**

2nd PRIZE: (2 of $100,000 each) **129835 349583**

3rd PRIZE: (4 of $ 50,000 each) **112388 163185 380536 482493**

4th PRIZE: (10 of $ 10,000 each) **061721 126362 140741 254120 351586 122016 134228 185930 345149 493611**

5th PRIZE: (50 of $ 2,000 each)

007650	082263	116013	144239	156189	194739	269354	300860	372278	460317
015722	094716	120767	146123	165383	200592	272452	311381	372969	475552
032834	097546	131833	149874	170793	208894	274488	316179	402654	483383
073617	109262	132766	154166	180937	234300	277772	333910	419740	485531
077524	115212	138425	154686	187888	261577	282399	356670	447979	490892

6th PRIZE: (100 of $ 500 each)

004246	078629	141160	164266	203111	240864	290301	362506	407286	462765
005905	083040	143573	171834	204423	249262	298255	363720	424489	465401
006440	085286	145284	178703	214709	266343	302152	371658	429587	469542
036801	086059	147149	180227	220672	267873	303108	374953	440198	476149
044504	089067	153068	182711	222678	269468	307174	377515	444921	480491
048629	102487	153846	185783	224274	271012	319293	385539	446565	483465
051967	105242	154456	186889	228555	271428	320165	395977	453077	484264
068314	116560	155515	187382	229953	278282	347711	396472	457040	489081
068436	116901	159736	194303	230952	283601	348454	399490	457892	492284
071586	132720	160726	200026	232333	287953	348556	405233	460265	493808

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8th PRIZE: (4,999 of $ 70 each) **All numbers ending with 07**

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9th PRIZE: (44,999 of $ 20 each) **All numbers ending with 7**

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Holders of prize winning tickets may receive payment on and after Saturday, 11th May, 1935, at the Central Bank of China, Bank of China and Bank of Communications or at any of their branches.

Prizes unclaimed after 31st October, 1935 will be forfeited.

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Shanghai, 4th May, 1935.

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The American Economic Mission

BY PAUL K. WHANG (王仲芳)

WITH the specter of depression still lingering over the world, all the nations on the earth have found it necessary to redouble their efforts in finding outlets to dispose of their surplus products. Thus the sending of economic missions for trade-promotion is the order of the day. Britain, in an attempt to capture a small share of the Manchurian trade from the Japanese hands, dispatched a trade mission to Manchukuo last year. The American Economic Mission, after having spent two weeks in Japan, is now in China for the purpose of making investigations into the economic conditions of this country and promoting good will and trade. Japan has already decided to dispatch two separate economic missions—one to China and the other to the United States and England, with the object of readjusting trade relations with these respective countries. Even Siam, a country which has recently received much publicity because its ex-king had been wise enough to carry an unemployment insurance long before his recent abdication, has also sent a trade mission to Japan to find a market "to dispose of its surplus white elephants."

The American Economic Mission arrived at Shanghai on April 22, and will stay in this country for two months to gather facts and exchange opinions with Chinese officials and business and industrial leaders. As the host, China has mapped out a detailed program to welcome and entertain these distinguished guests. Thanks to the opening of airways, the members of the mission, during their short stay in China, can see a great deal of the country by flying from Shanghai on the coast to Chungking, Szechuen, in the remote West, and from Canton in the extreme South to Peiping in the North. At the end of their extensive travelling, they will get at least a bird's-eye view of the vastness and extensiveness of the country, so much that they can realize the potentiality of the Chinese market.

Itinerary May Prove an Ordeal

With the possible exception of the Lytton Enquiry Commission in 1932, there has been no foreign mission, either diplomatic or cultural or economic, which has aroused such a public interest and received such a wide publicity as the present American Economic Mission. It is also the first time that a foreign mission has been accorded with such facilities for making extensive investigations in different parts of this country as the present mission is being given. While I fully endorse the idea that the visitors should be given an opportunity to make an extensive study of the economic and financial conditions in China, I, however, have reasons to fear that the itinerary as mapped out for the present mission will prove too heavy a strain on the nerves of the visitors. For two months, its members will travel from one city to another either by railway or by airplane and make official calls, attend receptions and visit scenic spots in different cities to call. They may give their eyes a treat, but they will soon find that to go through such an itinerary is nothing but a severe ordeal.

Moreover, the purpose of the mission is said to be to study China's economic conditions and to exchange opinions with Chinese officials and business leaders. One can not be reasonably expected to look at the things at their true perspective, when one's physical strength and mental capacity are both under a heavy strain and in want of relaxation. The members of the mission may visit different parts of the country, but what they see can not be anything more than superficial, just as, to quote an old Chinese saying, "to look at flowers on a galloping horse". According to the itinerary, five days from June 10 to June 14 will be specially set off for conferences with Chinese experts and calls on bankers, industrial and business leaders just prior to their sailing for their home country. But one must wonder whether after a protracted travelling for some seven weeks, the visitors can still find their mind sober and clear to enter into serious discussions on the very complicated subjects of economics and finance.

While we should accord a warm and genuine welcome to our distinguished visitors, yet to shower upon them receptions and feasts will not noly spoil their good appetite but also take up their valuable time, which otherwise can be profitably devoted to the purpose of making investigations and gathering facts for their clear understanding of China's present economic and financial conditions. While we should open our house widely to our guests, to rush them from one room to another without giving them sufficient time to discern various objects in numerous rooms will only serve to confound their knowledge and give them merely a faint idea of the size of the house.

In saying so, I have no mind to belittle the importance of the work which the mission may accomplish for the benefit of both countries. From some points of view, the mission could not have arrived at a more opportune time. Politically, at no time is the prospect of the unification of the country much brighter than today. Besides the sporadic Red-suppression campaigns, the civil war, a curse to the country, becomes a thing of the past, and the reign of peace has enabled the Central Government and provincial authorities to undertake the works of reconstruction and rehabilitation. The fact that the Central Government has successfully established its authority in such remote provinces as Szechuen, Kweichow and Yunnan will not only hasten the process of the unification of the country, but will also increase China's prestige in the family of nations. Therefore China presents a very hopeful and encouraging picture which is vastly different from what was seem by the members of the previous American Economic Missions?

U.S. Silver Policy Makes Good-Will Talk Futile

In speaking of China's financial and economic conditions, they would not be in such a bad shape but for the American Silver Policy. As China's traditional friend, America should give a little consideration to the ill-effects of her policy upon this country. The persistence on the part of the American Government in boosting up the prive of silver and in ignoring the appeals and protests of the Chinese Government will not only alienate the traditional friendship of the Chinese people towards America but will also play China into Japan's hands. The members of the mission who come here to promote good will and trade must realize that so long as the American Silver Policy remains unchanged, it will be futile to talk about the promotion of Sino-American good will and trade.

True, the present mission is not an official one, but that its findings will give the officials in Washington some salient information as to the true state of affairs prevailing in this country is a matter of certainty. It is very fortunate that of the mission there are several members who in the past have had a personal association with this part of the world. Their previous knowledge of the political and economic conditions in China will enable them to appreciate and judge for themselves the progress that has been made in the past few years. It is hoped that under their guidance, other members of the mission can see and interpret the things in China at their true lights.

There is no use to deny the fact that the true object of the mission is to seek a market for American products. What we want especially to emphasize is the fact that China can not afford to buy foreign products unless she can at the same time sell her native products. China, in the past, has exported a large volume of raw silk, tea and wood oil to the United States, but in recent years the export of these produces have fallen to nil. The decline of their exports has increased China's unfavorable trade balance, thus accentuating her economic distress.

The quality of China's products is said to be inferior to that of the same products of other countries. But if an assurance of a market can be given to our producers, there is really no reason why improvements can not be made upon their quality. The members of the mission, in their study of China's market, should give equal attention to the possibility of marketing in America those Chinese products, which the American consumers must buy either from China or from other countries. Trade, just as friendship, must be promoted on both sides and mutually.

In this connection, it must be also mentioned that the increase in the silver price will not promote Sino-American trade, but, on the other hand, will only depress the purchasing power of the Chinese people. The outflow of silver stocks has already shaken the foundation of our monetary structure. To safeguard our position, we shall have no alternative but to curtail our foreign purchases so as to reduce our unfavorable trade balance. This state of affaire must be borne in mind by the members of the mission who ars now studying the economic conditions of this country.

That America has in recent years occupied the first position of China's foreign trade has been partly due to the traditional friendship between America and China and partly because of the boycott movement against Japanese products. But China's friendship towards America has now been very much alienated by the American Silver Policy, and in the meantime, the anti-Japanese sentiments have gradually subsided as a result of the recent talks of Sino-Japanese co-operation. In view of these facts, we have reasons to believe that America's present position is far from being secure, and may be superseded by Japan in the not distant future. It must be remembered that once Japan has been successful in establishing an economic hegemony over China's door it will be definitely closed to the American traders.

Chinese Railways

Nanking-Shanghai and Shanghai-Hangchow-Ningpo Lines

From Shanghai to Nanking: 311.04 Kilometers

From Shanghai to Hangchow: 189.57 Kilometers

The Nanking-Shanghai Line extends from Shanghai, one of the greatest seaports in the world, to Nanking, the seat of the Nationalist Government of China. Short as it is when compared with the other trunk Lines in China, it serves a rich and densely populated district of preponderant importance, politically, as well as commercially and industrially. The whole Line is dotted over with points of known scenic beauty too numerous to be all mentioned here. Tourists and travellers should utilize the train service of this Line at least to visit Soochow, known as the "Garden City of the Orient," Wusih, the picturesque city on Lake Tai-hu, Chinkiang, the "Gate of the Yangtze River," and Nanking, a city rich in historic remains with the new grand Mausoleum of modern architecture for Dr. Sun Yat Sen, Founder of the Chinese Republic.

The Shanghai-Hangchow-Ningpo Line runs southwestward from Shanghai through a tract of beautiful places. At Lunghwa one will see the famous Pagoda with a long history attached to it; at Sungkiang, the observatory of the French Fathers at the summit of Sha Shan and the grave of General Frederick Ward; at Kashing, the South Lake and the Three Pagodas situated about two miles from the station; and at Hangchow, the present terminus of the Line from Shanghai, the renowned West Lake which called forth highest praise from Marco Polo, with such picturesque surroundings that it has been well called the "Switzerland of China." Tourists! A visit to Hangchow by the comfortable trains of this Line will give you the utmost satisfaction of travel and untold pleasure of sight-seeing.

For further information apply to the Traffic Manager of the two Lines at Shanghai North Station.

72-403

Manchukuo Studies Proposed Silver Export Laws

Promulgation of regulations designed to control the outflow of silver from Manchukuo was predicted for an early date by an official of the Manchukuo Finance Ministry in Changchun May 6. The regulations will form a part of a program to stop the outflow of the metal, which in the past seven months has reached the total of Yen 35,000,000, according to financial circles. This figure, it was pointed out, includes only the silver exported through Korea.

Peiping-Mukden Railway Places Special Rate on Silver Carried by Passengers Above $50

Official regulations issued May 4 by the Peiping-Mukden Railway Administration provide for the imposition of a special rate on silver in excess of $50 carried by passengers into Manchukuo. Passengers carrying more than $100 in silver are required to make formal applications for permission to carry the metal across the border.

The Magistrates' offices in Fengjen, Loding, Changli, Funing, and other cities in the Luantung Area have each organized anti-smuggling corps for the purpose of combatting the smugglers of silver cargoes from North China into Manchuria, Korea and Japan. Following negotiations with the Japanese military authorities at Shanhaikwan, three Chinese Customs officers, two gendarmes and two Japanese consular police now inspect all trains bound for Shen-yang at Shanhaikwan,

Rengo states that an average of $6,000,000 worth of silver has been smuggled every month out of this country as the result of the United States' Silver Purchasing Act. As against this about $3,000,000 worth of silver has been brought into Manchuria every month from China through Shanhaikwan.

Ying Ju-ken, Administrative Inspector of the Chihsien-Niyun Area, and Tao Shang-min, Administrative Inspector of the Luantung Area, called on General Yu Hsueh-chung, Chairman of the Hopei Provincial Government, at Tientsin May 1 and conferred with him on measures for the prevention of smuggling of silver from North China to Manchuria. Mr. Ying reported that smuggling in the area under his jurisdiction had been practically suppressed, while Mr. Tao said that owing to its proximity to the coast, the Luantung Area as yet had not been cleared of smugglers, but rigid measures were being taken to break up the smuggling ring. This area was referred to by the *Chekiai Agency* as the "War Zone".

Steamer "Lu Kiang" Pirated of $200,000 in Silver

One passenger was killed, three others injured and more than $200,000 in silver robbed as a result of a broad-day piracy perpetrated on the river steamer, *Liu Kiang*, May 1, when the vessel was on her voyage from Hankiang to Amoy. The pirates totalling 16 men and women disguised themselves as passengers on board the steamer. The pulled out their pistols and forced at point blank the captain of the boat to sail towards the sea. They then started a systemtic search of the passengers and finally netted a lump sumof more $200,000.

Advisory Committee of Central Bank Enlarged by Seven Members

The Advisory Committee of the Central Bank has been enlarged from 34 to 41 members. Seven new members have been appointed and the old members, whose term of office is about to expire, have been re-appointed. The Committee was inaugurated on May 16, 1933. The seven new members are: T. V. Soong, Sung Han-chang, T. L. Soong, A. E. Schumacher, K. Satoh, M. Yoshida, and K. Yabuki.

The 34 re-appointed members are: Dr. H. H. Kung, Hsi Te-mou, Hu Meng-chia, (T. D. Woo), Hsu Sing-loh, Chien Yung-ming, Li Ming, Jian H. Chen, F. S. Yih, Yih Chur-tong, Wu Yun-chai (C. C. Woo), Chin Jun-ching (T. T. Zing). Hsu Chi-ching (C. M. Shu), K. P. Chen, C. Chen, Hu Yun-chuang (Y. C. Woo), Chang Kia-ngau, Tang Shou-min, Chien Tung-pu (Kan Tong-po,) Hu Pi-kiang, Hsieh Kwang-fu, E. Kann, M. Speelman, James A. Mackay, J. E. Swan, F. R. Davey, F. B. Lynch, R. Calder-Marshall, L. Straetmans, U. M. Tavella, J. C. Lennie, A. Reiss, A. S. Henchman, F. Reysenbach, and H. Mazot.

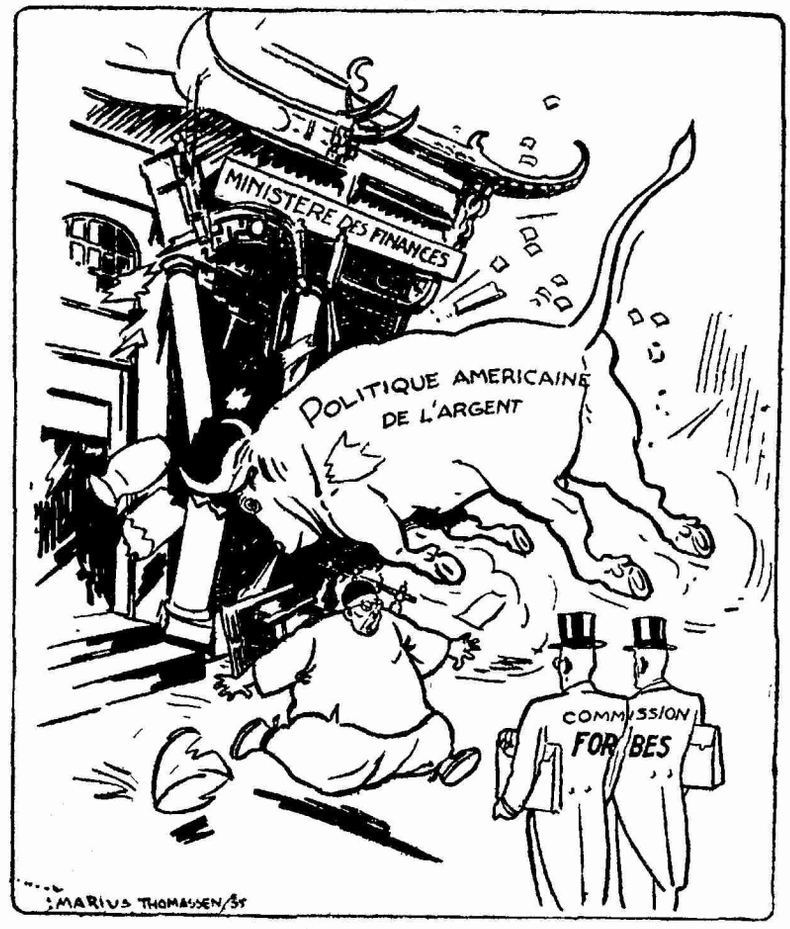
Japan Protests Against Search Inconveniences

A protest against the inconvenience caused by the Chinese search for smuggled silver in the baggage of Chinese passengers travelling aboard Japanese steamers has been lodged with the Nanking Government by the Japanese Foreign Office.

American Mission Inspects Carpet Factory at Tientsin

The six members of the American Economic Mission, headed by Cameron Forbes, on their arrival in Canton, April 30, were welcomed by representatives of the Kwangtung Provincial Government, the Canton Municipal Government and local civic organizations. They called subsequently on General Li Tsung-jen,

SINO-AMERICAN COOPERATION



—From the French "Le Journal de Shanghai," May 5, 1935.

The bull is labelled, "America's Silver Policy." The members of the Forbes Commission are represented as saying to China's representative: "We hope you will be satisfied with the aid which the American Government is bringing you."

Commander of the Kwangsi Provincial Forces, Tsou Lu, member of the C. E. C., Lin Yun-kai, Chairman of the Kwangtung Provincial Government, and Liu Chi-wen, Mayor of Canton. They later flew back to Shanghai.

Twelve members of the U. S. Economic Mission arrived in Tientsin by plane May 6. They were met by three reception committee members, Messrs. Tao Chu-nien, Huang Chun-fa and Hsueh-yao, together with representatives from various business and press organizations. During their three day's stay in the Northern city the American visitors made their headquarters at the Astor House Hotel. They were scheduled to depart for Peiping on May 9. The American Consul at Tientsin entertained the mission members at his residence. The second day of the visit was devoted to an inspection of the carpet factories of the Elbrook Company, the drug addicts treatment clinic, etc. On the morning of May 8 they continued their inspection of factories in Tangku. Views concerning Sino-American trade conditions were also exchanged between the American investigators and local leaders of finance and industry.

While at Tsingtao, where they stopped for a while on their way to Tientsin, the members of the Mission were welcomed by Mayor Shen Hung-lieh and representatives of various civic organizations. A banquet was given in their honor in the evening of May 4 by Mayor Shen.

Committee Is Formed to Study End of Extrality

The Committee for the study of judicial rights organized by the Ministry of Justice, which aims at the abolition of the foreign consular jurisdiction in China, was formally established May 10. The Committee has a membership of 13, with Hung Lohtung, Vice-Minister of Justice, serving concurrently as Chairman.

The Silver Racket Exposed

(*Chicago Tribune April* 8)

Exactly eight delegates turned up in Washington to attend a meeting heralded widely as the National Silver conference. W. R. Allen, former governor of Montana, is president of the organization. He had invited the governors of 25 states to send representatives and many of them had promised to do so. But only eight turned up.

Here is one more evidence that the silver agitation in this country is synthetic. There is no widespread public demand for the increased use of silver in the currency or for government purchases of silver above the market price. The silver agitation is a racket for the benefit of stockholders in silver mines in a few western states. These patriotic gentlemen want the rest of the country to pay them a subsidy. If they asked for it frankly they would be laughed at; accordingly, they have invented a theory that in some mysterious fashion the raising of the price of silver will cure the country of whatever ails it. A few talented windjammers in congress have elaborated this theme so loudly and so often that some people may have come to think that even though the scheme is all baloney the welfare of the country demands that the silver advocates be quieted with some kind of compromise.

It is now obvious that no further attention need be paid to this agitation. There is no popular support for it. The great national conference produced only eight delegates. Senator Wheeler of Montana had prepared an oratorical master-piece for the occasion, but when he saw how few had heeded the call he sulked. The depth of his disappointment can be judged from the fact that his manuscript remains in his breast pocket. He recognizes, no doubt, that his racket is worked out; he'll have to find a new one and that is not so easy.

The revival of speculative activity in the silver markets is interesting. It suggests that once more our government is preparing to "do something for silver." The phrase is a euphemism, coined by western gentlemen who know exactly what they want. "Doing something for silver" means buying it for more than it is worth from gentlemen who have the good fortune to own silver mines. It is a way of enriching the mine owners at the expense of the rest of the American people; only that, and nothing more.

The silver advocates pretend that their schemes are put forward as measures to inflate the currency and thus relieve debtors. Honest men may disagree on the merits of inflation, but they can hardly disagree on the silver proposals. If inflation of the currency is the objective there are better ways of achieving it than having the government buy silver at inflated prices. Inflation robs every one of his savings and his working capital. "Doing something for silver" robs every one except the owners of silver mines who receive a bonus. Why they should be singled out for this reward has never been made clear.

Council Discloses Telephone Discussions Held Prior to Ratepayers' Meeting

The Municipal Council during the week published the minutes of meetings held by the Public Utilities Committee to discuss the telephone rate question. These meetings were held last month before the assembling of the Ratepayers' Meeting, at which it will be remembered, the Council was asked to open negotiations with the Shanghai Telephone Co. with a view to postponing the adoption of any new rates. The minutes made note of the fact that the Municipal treasurer, in reply to questions, stated that in his opinion the message rate system, which had been widely adopted, was the right one for Shanghai, but the effect of this on subscribers and the Company's finances could be proved only by experience, for which at least a year's trial was necessary.

Dr. Kung Speaks on the Role of Chinese Christians Before Salvation Association

Dr. H. H. Kung, minister of finance, delivered a speech on the part Chinese Christians should play in China, at the annual meeting of the Christian National Salvation Association held at Chinese Y.M.C.A. on Boulevard de Montigny, May 3. The opening session of the annual conference was presided over by General Chang Chih-kiang, director of the Central Physical Culture Training Bureau. Dr. C. Y. Cheng, general secretary and moderator of the Church of Christ in China, made the opening address.

Hongkong Cement Industry Hurt by Canton's Refusal to Issue Permits

Refusal of Canton officials to issue necessary permits has virtually paralyzed business of the Green Island Cement Co. with South China, according to a statement made J. H. Taggart, presiding at a board of directors meeting of the company in Hongkong May 1. Mr. Taggart declared in his speech that the Green Island Cement Co., Ltd., would request the Hongkong Government to intervene in the matter in order to assist the industry and correct trade difficulties.

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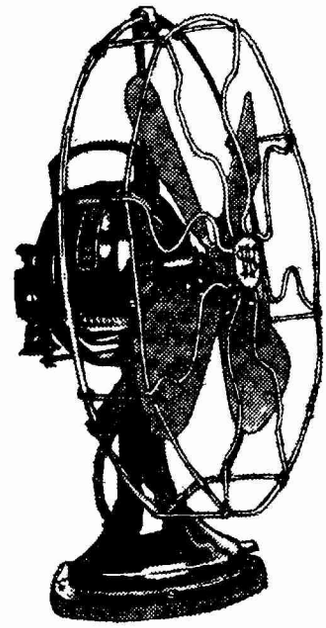

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The Rise and Fall of Communism in Fukien

BY T. L. LIN (林 天 蘭)

(*Chinese Recorder for May*, 1935)

IN the past six years communism and its concomitant banditry have played great havoc in China. Great areas in Anhwei, Kiangsi and Fukien have been reduced to ashes. In them the National Government has met with unexpected opposition. It was not until the sixth great campaign against them that the national armies were able to crush the main red force and reclaim the border districts of Kiangsi and Fukien, which had been so long under the red regime. The social problems, however, which were one of the main causes of communism, and which in many cases were created by communism itself, are far from being solved so far as Fukien is concerned.

Until very recently, it was almost impossible to point to a single district in Fukien that had not been overrun by Communists or bandits, the latter often borrowing the name of the former. Of the sixty-four districts of the province, only twenty-six were comparatively safe from attack; fourteen were entirely occupied for a short period; five were occupied for more than a year; and six were occupied from three to six years. The provincial capital itself was threatened several times. Our foreign friends were ever ready to embark on their gun-boats and leave the cities of their sojourn. The more well-to-do Chinese classes took refuge in Shanghai and Hongkong.

The communist troubles kept provincial authorities so constantly preoccupied with preventive devices that little time was left for reconstructive work. Business men lamented that the times were bad and that the good old days of prosperity were gone. The future of Fukien became a serious question.

Now that the main force of the Communists in Fukien has been crushed, the provincial authorities and those who are interested in the welfare of the Fukienese, are able to consider the whole situation and devise means of putting things to rights. The main cause of communism in China is not merely political or economic; it is social. The charge is not denied that the Reds in the past received substantial sums of money every year from foreign sources as subsidy for communistic propaganda. The fact is admitted that drought and flood reduced many of the farmers to the utmost poverty, making them ready tools in the hands of red leaders. But over and above these factors was the consciousness of the farmers that they were not being given a square deal by society or the nation. This provided fertile soil for the germination and growth of communistic seed.

The above opinions have been confirmed by conversations with refugees and various reports of careful observers, among which is a report by two former students who were recently sent by the Commission of Education to make a thorough investigation of the restored districts of Tsung-an, Chien-yang, Sha-hsien, Lien-cheng, and Yung-an. Let us look at two of these districts.

Tsung-an before its occupation by the Communists on January 1, 1931, was a prosperous district with a population of 130,000. It exported annually 500,000 piculs of rice, two million dollars' worth of the Wu-yee tea, $200,000 of timber, and $100,000 of tobacco leaves. Notwithstandings this prosperity, there was a wide gap between the wealthy and the poor classes; soldiers stationed there were barbarous and oppressive; officials were greedily sucking the very blood of the farmers and laborers. The latter were finally driven to extremes. They cried for redress but no attention was paid to them. Consequently they gave willing ears to communist propagandists. This discontent smouldered first in the villages. Then the fire sperad to the district center, which fell and remained in the hands of Communists for almost three years. As to the way the Communists treated the people of the captured districts, that will be described presently. Let us look first at the other selected district.

Communists Capture the Imagination of the Young

Sha-hsien, a commercial center of the five districts of Yu-chi, Ta-tien, Nin-hua, Yung-an, and Min-chi, boasted of the name of the "Silver Sand Hsien" given to it by the Fukienese. But to corrupt officials and soldiers and tax farmers it was an inexhaustible silver mine from which to dig up fortunes. Note taxes alone. There were official taxes and unofficial contributions, the latter exceeding the former several times. Just before the fall of the city to the Reds on January 24, 1934, there were twenty-three enforced unofficial contributions, all of which the Reds promised to do away with as soon as they had entered the city. The populace was ready for a new regime but did not foresee the miseries that would follow its coming.

In Fukien there are no great landlords comparable to those in the northern provinces, to say nothing of those in European countries. Still landlords were landlords even in the northern districts of Fukien. Many of them were harsh and grasping to the limit. They were the friends of the officials; their sons turned out to be, though educated, the publicans of the community. They were the village gentry, who fawned on civil and military officials and devoured the residue of their victims. This was true in all communism infested districts, especially in district of Lien-cheng which later became one of the strongholds of Generals Chu and Mao. These two leaders of the red army first invaded the western part of Fukien in 1929 with their "succor the poor and crush the rich" slogan. They captured the imagination of a number of young people who thought that any change in the social system would be better than the system under the control of the gentry.

Space does not permit additional examples. Suffice it to say that communism in Fukien with all its accompanying evils would not have been possible had it not been promoted under the promise of the readjustment of social conditions. We remember that bandits were rife in the latter days of the Ming Dynasty. They finally got beyond the control of the national armies and undermined the very foundation of the empire. We are apt to think that history is repeating itself in the communistic revolt of our own day. In reality this latter is not merely a repetition of history; it is the wakening self-consciousness of the common people fighting for the right to live. If the communist leaders had really relieved their intense suffering, nothing in the world could have separated them from the new system. But the Communists failed sadly! Their regime was no better, and even worse, than the old gentry-official system. Let us see how they defeated their own professed purpose, and kicked the people back into the fold of the National Government.

First, the Communists incorporated in their system the worst elements of the Community—the bandits and the ruffians. Thus the elements most feared and hated by the people were set over them as their mentors and rulers. Though victimzed by the gentry and landlords, they had been, at least, suffering under a long-established and familiar system. But the social ideology of the bandit chiefs and ruffian bosses was entirely different. There was neither tradition nor precedent to back up their rule. Their misrule caused the common people to mistrust them as leaders together with the communistic system as a whole.

Second, the communist leaders harassed the people with over-organization. Take Lien-cheng for example. As soon as the district fell into the hands of the Reds, organizations began to appear sporadically like bamboo shoots in spring. There were the Soviets of various ranks, the Red Guard, the Youth's Vanguard, the Children's Band, the Women's Association, the Nursing Group, the Laundry Group, the Judicial Board, the Education Board, the Cultural Committee, the Purgation Committee, etc. etc. The very names of these organizations with their Soviet-Russian connotation were enough to daze the common people, let alone the fact that they were forced to join them. Every one was forced, indeed, to join several of them at one and the same time. The people became so busy defending the new "Soviet State" and promoting its "welfare" that they had no time to earn their own livelihood.

Third, agrarian questions found no solution under the red regime; rather, they were made worse through unscientific allotment of land and inhuman treatment. In the occupied districts the communist leaders made several attempts to fulfill their promise of giving land "according to the mouth". But they never succeeded in solving the problem of how much land each person should receive. In one district they based their calculation on the number of villages. But the fact that the villages and the arable land surrounding them comprised differing areas prevented any equality of allotment when done, as it was, in a hasty way. Thus a person in a small village was able to get five mou (five-sixths of an acre), while one in a large village got only two—or three-tenths of a mou. This unequal treatment disgusted many a farmer who had expected a thorough land reform with the coming of the Communists. Even with the unequally divided land, the farmers were not allowed to pursue their calling unmolested.

Villages Practically Depopulated

Fourth, the red army levied men and grain from the farms to such a monstrous extent that villages were practically depopulated and most of the allotted fields remained uncultivated. In their long-drawn-out struggles with the national forces, the Communists needed every able-bodied man at the front and every woman and child behind the lines as auxiliaries. Many adults were killed in battle, or escaped across the lines, or were shot down by the red officers in their attempts to run away. Then with the garp of an economic blockade tightening round them, the red army had to levy as much foodstuffs as possible from the farms. Many old village people thus, threatened with imminent death by hunger, took to the woods with their helpless grandchildren there to cheat death for a short time with bark, leaves, and mosses. It is claimed that the Len-cheng people have discovered in the past few years more than ten kinds of edible plants. But these plants were only able to stave off death for a few months at most. Then the people became sick and died.

Fifth, while eager to demolish the old ethical and social institutions the red leaders did not succeed in planting institutional ideas of permanent value in the psychology of the people. They confiscated or destroyed milions of dollars' worth of property; but they gave the people no new ways of making a living. They massacred thousands of the so-called reactionaries; though for their crude and

barbarous methods they themselves were mutely but doggedly judged by the people as reactionaries. They taught children to kill others and to curse their own parents; they encouraged women to set aside all the precepts of propriety; but they soon discovered that the women and children became so uncontrollable as to threaten their own discipline. Their regime was, in short, one of deceit, suspicion hate, and savagery.

Such were the seeds of self-destruction in the communist regime. Finally, stripped of spiritual and physical assets, that regime was no longer able to withstand the tremendous pressure brought upon it by the National Government, It was crushed and the districts it occupied now await rehabilitation.

What steps are the provincial government taking toward the reconstruction of these former communism-infested districts? Politically, it is charging the local officials and soldiers with the responsibility of helping the refugees to return to their villages and of protecting them from petty bandits and ruffians. It is also preparing to train and organize the people into self-defending corps which will give them a sense of the safety of life and property even after the soldiers are withdrawn. Of course when conditions are fully settled, they will be taught to exercise civil powers in their local governments.

Economically, the provincial government is trying to make it possible for the refugees to return home. They are given sufficient sums for traveling expenses and other facilities on their homeward trips. While the complicated land problems need time for solution, the people in the former communist territory are assured of enough land for farming for the time being A farm-loan department has been organized to enable the people to start off their first year of farming with small amounts of cash, seeds or implements. It is also planned to help the people organize cooperative societies in the villages.

Educationally, it is deemed that a special kind of training is needed to direct the thought of the people into the right channels, to acquaint them with the duties of citizenship, and to improve their ways of making a living. For this purpose a teacher-training institute is being organized which will soon turn out a hundred and twenty teachers to open special schools in the nineteen reclaimed districts.

But it must be remembered that all such measures must be undertaken with social reconstruction as their final goal. The old unjust social standards were thrown down with the coming of the Communists; the new ones set up by them were tried and have failed utterly. "What shall we do now?" is the question that must be carefully answered by us all.

Chiang's Chief of Staff Outlines Work for Soldiers

A National Soldier-Labor Reconstruction Conference, convened by the Provisional Headquarters of the President of the Military Affairs Commission, was formally opened in Hankow May 3. The Conference was convened as part of the People's Economic Reconstruction Movement, recently launched by General Chiang Kai-shek, as a corollary to the New Life Movement.

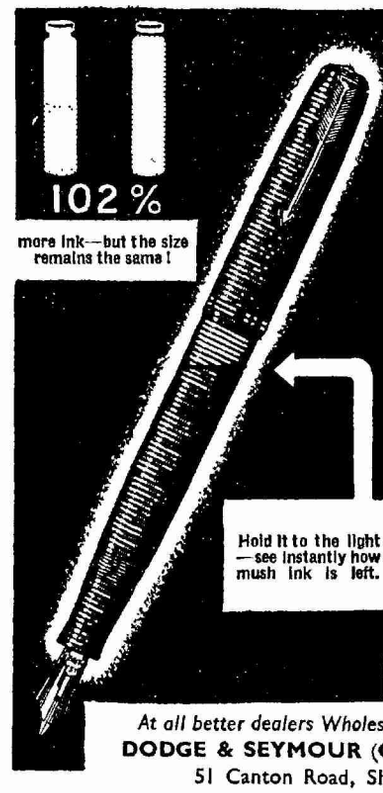
Speaking on behalf of General Chiang, General Chien Ta-chun, Chief-of-Staff, said measures should be devised to give employment to the thousands upon thousands of valiant and loyal soldiers who have fought under the banner of the Party and the State. The kind of work that can be usefully undertaken by soldiers in national reconstruction, General Chien said, are projects which require a large number of workers and a lengthy period for completion, and which can be easily undertaken, under the direction of experts, without much training. The projects should be capable of accomplishment through concentration of a large number of soldiers at a designated location and under a unified command. As an experiment, soldier-labor should be utilized by the various organs of reconstruction under the direct jurisdiction of the Central authorities, for projects which have been definitely planned and for which funds have been allocated.

The National Government has sanctioned the petition of the Ministry of War for the establishment of factories for disabled soldiers in the provinces of Kiangsi, Hunan, Honan, Hupeh, Anhwei and Shensi. The expenses, totalling $300,000, will be defrayed from the second reserve fund of the National Budget for the current fiscal year.

Anti-Illiteracy Movement Launched by Shanghai City Government

An anti-illiteracy movement was launched by the Shanghai City Government Character Reading Educational Committee last week, under the direction of Gen. Wu Te-chen, the Mayor, and Pan Kung-chia, Commissioner of the Bureau of Education. The movement is expected to be completed by July 1, when measures compelling the study of Chinese characters will be enforced. Emphasis will be laid on the ability to read and write the 600 most commonly used Chinese words.

The Nanchang Anti-Illiteracy Movement was launched May 1 at the Recreation Ground before a gathering of 60,000 people. The aim of the movement, it is announced, is to popularize education among the masses in the province.



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72-407

Japanese Naval Booklet Urges World to Let Japan Take Charge of the Far East

WORLD Powers will be urged by the Imperial Navy to let Japan take charge of Far Eastern affairs in a pamphlet to be issued May 27 on the occasion of the thirtieth anniversary of the Battle of Tsushima, decisive encounter in the Russo-Japanese War. The date has been set aside as Navy Day.

"Now that Japan, a country of the Far East, can maintain the peace of that part of the world alone," the pamphlet will say, "it is only natural that the Powers leave matters connected with the Far East in the hands of the Empire."

Advance copies of the brochure, of which 100,000 copies are being printed for nation-wide distribution, were handed to newspaperman last week. The booklet is entitled "The Results of the Battle of the Japan Sea and the Question of Disarmament" and devotes three chapters out of five to a description of the various Imperial Russian Fleets and their defeat in the Tsushima encounter. The fourth chapter draws conclusions from the teachings of the battle and explains them in relation to the question of naval disarmament.

Japan to Embark on Reciprocal, Free Trade Policy

Free trade, based on reciprocity, with an emphasis on the autonomous control of imports and exports by business men rather than by means of Governmental restrictions will form the cardinal points guiding Japan's future foreign commerce policies, according to statement made by a high Government official in Tokyo May 3.

Baron Shijo Tentatively Selected to Head Cabinet Bureau

Baron Takahide Shijo, member of the House of Peers and President of the Yasuda Life Insurance Company, was tentatively selected May 2 to head the Cabinet Bureau of Investigation, which will be attached to the projected National Policy Council.

Col. Hiroshi Nemoto, one-time assistant military attache to the Japanese Legation in China and now director of the Press Section of the War Office, is being prominently mentioned as a candidate for the post of Army representative on the projected Cabinet Bureau of Investigation.

Okada to Seek Council Members from Other Groups if Seiyukai Balks

Premier Keisuke Okada will seek to fill all posts in the projected National Policy Council, Japanese counterpart of the American "Brain Trust," by alloting the seats to persons not affiliated with the Seiyukai, majority party in the Lower House of the Diet, if the latter's leaders remain adamant in their refusal to participate in the membership of the new advisory body.

Ex-Soldiers Burn Minobe's Books

Copies of three of the books written by Dr. Tatsukichi Minobe, member of the House Peers and a constitutional authority, in which he asserted that the Emperor is merely an Organ of the State, were burned a public bonfire in Tokyo April 25 made by a group of 150 ex-servicemen from Nacano Province.

Japan to Send Foreign Lecturers to New York and Australia

The Tokyo *Asahi* announced April 30 that two resident foreigners will be sent abroad to serve as lecturers in foreign universities, on Japan. George Sansom of the British Embassy is expected to be sent to Columbia University, New York City; the second lecturer will be sent to Australia.

Japan's Foreign Minister Complains of Press Exaggerations

Purveyers of "news born of imagination" were severely criticized by Foreign Minister Koki Hirota in a lengthy address reviewing the foreign relations of Japan which he delivered before an assembly of prefectural governors in Tokyo, May 3. "It is regrettable "he said," to see news agencies and newspapers in the country spread news born of imagination or, at other times, greatly exaggerate reports on international relations." These practices, Mr. Hirota held, were liable to mislead the Japanese people and to produce unfavorable effects on public opinion abroad. "As our country's international status rises," the Foreign Minister continued, "it is necessary for our people to be supplied with correct and adequate news on international relations so that they may correctly realize this country's position in the family of nations and in East Asia."

News Agencies Should Be Devoid of Policies, Says Tokyo Spokesman

A Foreign Office spokesman, May 1, confirmed statements previously made to the effect that the news agencies should be devoid of policies, adding. "They create public policies favoroble to themselves. Japan is subject to foreign influence regarding news matters although free in other respects."

Japanese Railway Ministry's Plan to Operate Airways Is Opposed by Ministry of Communications

Opposition of the Ministry of Communications, which exercises supervisory powers over civilian aviation in Japan, is being added to numerous technical difficulties that lie in the path of plans of the Ministry of Railways to operate an air system. Violent disapproval of the Railway Ministry's project to create a regular passenger service between Fusan, in Korea, and Shimonoseki on the ground that it would compete with the present Fukuoka, Kyushu, to Seoul, Korea, line of the Japan Air Transport Company is voiced by the Ministry of Communications. The latter heavily subsidizes the aviation company for the carrying of mails.

Police Arrest 1,650 Radicials in Tokyo Following May Day Celebrations

The detention rooms of Tokyo's police stations were crammed full with 1,650 radicals, arrested early in the morning of May 2 in a series of spectacular raids. The arrests were made under the supervision of Kazuo Oguri, Superintendent-General of the Metropolian Police, who acted in conjunction with the Ministries of the Interior and Justice. The raids, it was stated, were made to "clear the city of undesirable elements." More than 6,000 radicals paraded through the streets of the city in observance of the May Day. Escort for the celebrants was provided by an equal number of police.

On May 4 70 more persons were arrested in a series of anti-radical raids. All classes of the population, including tradesmen, students, artisans and officials, were represented in the detention rooms of the police stations which were crowded to capacity.

War Minister Hayashi to Make Tour of Manchukuo

General Senjuro Hayashi, War Minister, will leave Tokyo for Manchukuo on May 21, on a three-week tour which may, according to political observers in Tokyo, have an important bearing upon Japan's future policies towards the new State.

43 Tokyo Vagrants Go to Manchuria to Start New Life

Forty-three vagrants, habitues of Tokyo's municipal "flop-houses," sailed from Tsuruga May 1 for Manchukuo, where they are expected to start their lives anew.

Money Order Service Links Manchuria, Poland and N.E.I.

Money order service was opened last week in Changchun between Poland and the Netherlands East Indies via Japan. The fees are similar to those charged in Japan.

Foreign Ministry Announces Transfers and Promotions

Toyozo Kawanishi, Japanese Consul in Shanghai, May 1 was ordered transferred to Soochow. Sotaro Tanaka, Consul in Tientsin, was shifted to Kiukiang; Renji Kasuya, Consul in Changsha, was ordered to Chungking, to succeed Koichi Nakano who was transferred to Changchun. Chiyoh Ohta, Consul in Newchang, will leave for Cape Town, while Hiroshi Kawamura, Consul-General in Changchun will assume the post of first secretary of the Japanese Embassy in Manchukuo. Shoshiro Satoh, first secretary of the Japanese Embassy in Changchun was promoted to Consul-General in Harbin. Issaku Okamoto, Consul in Antung, was ordered to take up similar duties in Seattle, suceeeding Kiyoshi Uchiyama, who was raised to Consul-General in Manila.

American Tourist Detained at Kobe for Taking Photographs

The *Osaka Asahi* recently reported that an American tourist named Mark Alfred Pearce an undertaker, was examined by the Kobe Water police on a charge of having taken pictures of the fortified zone in the neighborhood of Ganryu Isle near Shimonoseki. Prints of several confiscated pictures are said to have clearly showed the fortified zone.

Japanese Labor Head Admitted to U. S. A. on Methodist Bishop's Guarantee

Kanji Kato, executive director of the Joint Council of Japanese Labor Unions, was granted an entry visa May 2 by the U.S. Council General in Tokyo to visit the United States. When the visa was refused several weeks ago an appeal was made to various organizations in the United States. Bishop Francis John McConnell, President of the Methodist Social Welfare League, New York City, has given a guarantee for Mr. Koto.

Osaka Cotton Exporters Decide to Control Shipments to America

Fourteen leading exporters of Japanese cotton textiles to the United States May 7 organized an association whereby they will place under their own control the volume and prices of the shipped articles. The new organization will work in close cooperation with a similar association of Japanese cotton-goods importers that came into being in New York recently. The move is made in the hope that American charges of "dumping" may be eliminated and that Japanese cotton-goods exports to the United States can proceed on a more stable basis. This step is in line with the recently-announced policy of the Japanese Foreign Office, whereby the control of the foreign trade would be left largely to the autonomous action of exporters' and importers' guilds rather than be placed under Government control.

Finance Minister Takahashi Will Oppose New Demands from Military

A TELEGRAM from Tokyo May 6 stated that Korekiyo Takahashi, Minister of Finance, will oppose any new fiscal demands from the military which the 81-year old financier should regard as excessive, and to this end will avail himself of the full force of the proposed National Policy Council, advisory body to the Japanese Cabinet. Mr. Takahashi will oppose future military "raids" on the Treasury which would throw out of balance the amount of money spent on national defense and the condition of national finances. While direct comment was unavailable, various newspaper writers inferred the Finance Minister's attitude by citing passages from his recent addresses wherein he stressed the necessity of keeping in mind the ability of the nation to digest further deficit loans and the need to maintain unimpaired national credit by curbing inflation. For the past five years, military expenditures have shown a steady increase, causing the two last Government budgets to be the largest in the peace-time history of the nation.

According to the plans outlined by the Army leaders, an amount in excess of Yen 300,000,000 will be asked next fiscal year. This will include an expenditure of Yen 200,000,000 under the general heading "perfection of national defence" and another Yen 100,000,000, for the "replenishment of the military effectives." The measure also would provide Yen 68,000,000 for the strengthening of the air force. Another appropriation, the amount of which is still undecided, will also be sought for the improvement of existing temporary militaay establishments of the Japanese Kwantung Army in Manchukuo. The third replenishment program, reported by the press as being under preparation by the Navy, will provide for the construction of new capital ships and submarines and the expansion of the air force.

The proportion of military expenditures to the total budget has grown from 27 percent in the 1930-31 fiscal year, which preceded the Manchukuo Incident, to 46.6 percent for the current period. Although the entire budget outlay has increased since 1930-31 by 37 percent, the portion allotted to military expenditures has grown by 130 percent. The Navy this year secured Yen 530,193,000 and the Army Yen 491,280,000 out of a total budget of Yen 2,190,844,000.

Brazilian President Asks for Change in Immigration Law

A presidential message urging the Brazilian Congress to reconsider the immigration law as far as it affects Japan was delivered by President Getulio Vargas on May 3 at Rio de Janeiro. President Vargas stressed the necessity of promoting friendly relations between Japan and Brazil.

Ambassador Matsushima to Start on Inspection Tour of Near East

Hajime Matsushima, Japanese ambassador-at-large, will leave Kobe on May 30 aboard the s.s. *Suwa Maru* on the first leg of an extensive inspection tour of India and the Near East.

Tourist Agencies at Meeting in Japan Decide to Unify Publicity Measures

The closing session of the first Oriental Tourism Conference was held in Tokyo May 7 after approval of resolutions by representatives of all Oriental tourist agencies to unify their efforts to make the travelling world conscious of the mystic "Lure of the East". The expense of producing posters, pamphlets and motion picture travelogues inviting visitors to the Far East will be borne by all organizations represented at the meet. Tourist routes, hitherto drawn up so as to include only one country in Asia will also be revised so that all leading points of interest in the Continent and adjoining island groups will be on the itinerary.

The conference opened on May 2 in the presence of 86 delegates from China, Japan, the Philippines the Netherlands East India, the Straits Settlements, Manchukuo, Siam, French Indo-China, Burma, two world-wide travel bureaus and 10 shipping companies.

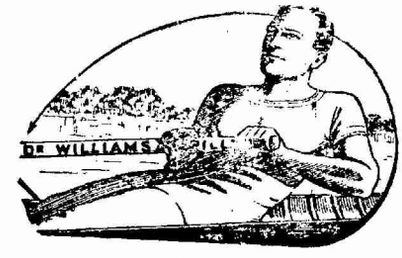
Nineteen Killed as Another Earthquake Occurs in Formosa

A violent seismic shock again rocked Taichu province in Formosa May 5, as a result of which 19 persons were killed. Two houses were completely wrecked while 10 others were seriously damaged.

Chinese Residents Suffered Heavy Losses During Former Formosan Quake

Ten Chinese residents were killed, twenty-nine others injured and one whole family of five was missing as a result of the earthquake which occurred in Formosa, April 21, according to a telegram from the Overseas Chinese Association in Taihoku. Property losses to the Chinese community there are estimated to be over $17,000.

Pull Your Weight With the Aid Of Dr. Williams' Pink Pills



It is impossible to pull your weight in any walk of life if you are unwell; your condition may not be serious enough to prevent you carrying on, but it must assuredly have a detrimental effect on your general efficiency. Especially is this the case to-day, when the constant difficulties and the keen competition one is called upon to face make great demands on the nervous system.

If you find your work becoming burdensome, sustained effort more trying, if you are unable to concentrate, find difficulty in making decisions, if you feel listless and lack interest in things about you, then you are not pulling your weight.

All these symptoms indicate that you are anaemic, your blood is deficient in haemoglobin, your red corpuscles have fallen below normal. To restore health and strength the first step is to improve the quality and quantity of your blood.

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Don't delay if you have cause to suspect that you are anaemic, but begin at once taking Dr. Williams' Pink Pills. They quickly build up the nerves, increase energy, revive appetite, make you well and cheerful. Equally good for men and women, they are sold by chemists everywhere.

72-409

Soviets and France Sign Pact of Mutual Assistance

The pact of mutual assistance between France and the Soviets was signed in Paris May 2, by the French Foreign Minister, M. Pierre Laval on behalf of France, and the Soviet Ambassador, M. Potemkin, on behalf of Russia. A communique issued subsequently stated that the pact consists of a protocol of five articles based on Articles X, XV and XVI of the Covenant of the League of Nations, and provides for mutual assistance in case of unprovoked aggression. The object of the pact, the communique states, is to assure the efficacy of the provisions of the Covenant and/or the recommendations of the League Council. These obligations, it is stated, are designed to maintain peace in Europe, and are assumed in full conformity with the previous engagements of the two governments. They in no way exclude the possibility of either Government participating, by mutual consent, in a regional agreement, the conclusion of which remains desirable.

THE GREAT NATIONALISTIC PASTIME.

—From the Kansas City Star

Enthusiastic celebrations were held in Moscow to mark the signing of the pact.

Not to Apply in Far East

That the Franco-Soviet mutual assistance pact concluded last Thursday in Paris limits joint action of France and the U.S.S.R. to the European zone and excludes the possibility of intervention in connection with the Soviet interests in the Far East, was emphasized in Moscow May 4 by a spokesman of the Foreign Affairs Commissariat of the Soviet. While commenting further on the pact, the same official told pressmen that the agreement concluded in Paris marks a step forward toward the organization of peace in Europe and expressed the hope that it would be followed by other similar initiatives.

Litvinoff Hopes for Strengthening of Ties of Friendship

In a telegram to M. Laval, M. Litvinoff declared: "The Franco-Russian treaty, as I hope together with you, will contribute towards the consolidation of peace and the strengthening of the ties of friendship and trustful co-operation between the two nations. I am glad that the efforts by both nations towards pacification and security of all nations has led to a happy result."

European military experts, according to a recent message from Paris, in revising their charts of martial strength, see Germany as potentially in second place in number of soldiers, third in naval tonnage and third in number of airplanes. Russia alone, they figure, will exceed Germany in soldiers if Adolf Hitler's plans are effected; Great Britain and France would exceed her in naval strength and France and Russia in point of airplanes by increases in their present fleets.

Japan to Take Action if Britain Invokes "Escalator Clause"

Rengo states that Japan will make clear her stand on Greman's proposed increase in naval armaments in violation of the provisions of the Versailles Treaty, only if Great Britain invokes Article XXI of the London Naval Treaty. The article, commonly referred to as the "escalator clause", after having been so dubbed by an American newspaper correspondent in London, was included in the Treaty at the demand of the British who wanted it to fall back upon should Italy and France, then the only Powers likely to increase their navies, decide to build to a point where both fleets combined would exceed in tonnage British effectives, it was explained.

Roosevelt Raps General Andrews on Possible Seizure of British and French Islands

Following on the statement made by Gen. F. M. Andrews, Chief of the U.S. Air Force, before the Military Committee of the House that America should seize the British and French islands near the United States in time of war or emergency, President Roosevelt April 30 ordered the Military Committee of the House of Representatives to cease publication of evidence of the War Department's plans. The President sternly warned the Committee that he would exercise his authority as Commander-in-Chief of the Army and Navy, if necessary, to stop the publication of anything which he regarded as unfriendly to the foreign nations.

Soviets Stage Huge Military Display on May 1

The Soviets staged a huge Military Parade in the Red Square at Moscow May 1. The Moscow Garrison, units of armed workers, young Communists, student organizations and units of the participants of the Partisan Civil War took part in the display. The parade was reviewed by People's Commissar of Defence, Voroshilov. Large units of artilley, cavalry, infantry, motorized army units and large detachments of small and large tanks took part. Before the parade commenced, Stalin, Molotov, Kaganovich, Kalinin and other members the Political Bureau and Government appeared in the rostrum of Lenin's mausoleum and were met with enthusiastic applause.

Moscow *Izvestia* in an editorial stated: "Never have May Day celebrations taken place in such an atmosphere of clearly defined dangers threatening peace as during recent years. In the face of these dangers, the USSR has relied first of all upon her own strength."

Saito Reports Good Effect of Missionaries' Appeal

Favorable effect of the joint statement of 217 American missionaries in Japan to their co-nationals appealing for Japano-American friendship was reported May 2 by Mr. Saito, Ambassador to Washington, to the Foreign Office.

Rear-Admiral Upham Received by Emperor Hirohito

Admiral Frank B. Upham, Commander-in-Chief of the U.S. Asiatic Fleet, was scheduled to be received in audience by Emperor Hirohito on May 9. The flag ship U.S.S. *Augusta* will remain in Yokohama until May 17.

Foreigner, Arrested as "Red," Refuses to Disclose Indentity

A foreigner, believed to be a Russian, and a Chinese, were arrested by Shanghai Settlement police officers May 5 on charges of being concerned with local communist activities. The foreigner, about 45 years old, steadfastly refused to given his name to police officials. All attempts to question the man were met with the same answer: "I don't know." The case is being handled under the direction of the Special Branch of the Shanghai Municipal Police, headed by Deputy Commissioner T. P. Givens. The latter was closeted with Soviet Vice-Council M.V. Milikovsky for the greater part of an hour May 6. The Chinese, Wo Phar-hui, in court admitted that he had translated "Up From The Masses", a well-known Communistic piece, but he denied that he had done it for the foreigner who was arrested at the same time as he was. On the foreigner were found four passports, two French, one Czecho-Slovakian and one Chinese, which the Soviet Consulate identified as having been stolen from their premises, while they were awaiting vises.

Soviets Want Non-Aggression Pact Signed Before Withdrawing Troops

Constantin Yureneff, Soviet Ambassador to Japan, told newspaperman in Osaka May 2 that the U.S.S.R. is prepared to enter into negotiations for the withdrawal of Soviet troops from Manchukuo's frontiers but holds that the settlement of pending problems between Japan and the Soviet Union must be preceded by the conclusion of a non-aggression pact.

Japanese Are Willing to Buy North Saghalien If They Can Get It Cheap

Advances from Tokyo state that the Japanese Government has approached the Soviet Government with a hint that they were ready to buy North Saghalien. There is no indication what the Soviet attitude towards the propsal is, but the Japanese Ministry of Foreign Affairs has let it be known that will at any rate only be willing to buy at a very cheap price.

Soviets Raise Literacy Level in Buriat-Mongolia

Tass reports that whereas literacy in Buryat-Mongolia was at an extremely low level before the October Revolution, at present 80% of the adult population is literate. During the years that have passed since the Revolution in 1917 a large network of schools has been formed. Teaching is carried on in the native tongue. Besides the primary schools, there are a large number of middle schools and colleges and mediums for adult education. The Latin alphabet has been introduced.

Eight-two Soviet Planes Fly Along Manchukuo Border

A fleet of 82 Russian army planes created a sensation along the Manchukuo-Soviet border May 1 as they roared high overhead in a spectacular May Day demonstration. The planes, first appeared over Blagovestchensk at 9.20 a.m., from the direction of the upper Amur. After flying for some distance along the border, they disappeared in the direction of Habarovsk.

New Korean Musical Comedy Produced in Khabarovsk

The musical comedy theater at Khabarovsk last week gave the first performance of a new musical comedy entitled "Kisan." The play depicts modern life in a Korean village. It was composed by Pekarsky, who has made a special study of Korean national tunes, from which he created his original compositions.

Manchukuo Accepts Mongolian Offer of Venue to Settle Lake Buyer Nor Dispute

The Manchukuo Government May 1 officially announced its acceptance of the proposal of the Outer Mongolian authorities to hold a conference in Manchouli for the purpose of settling the Khalkamiao (Lake Buyer Nor) dispute. The dispute involves the fixing of the boundary line. The Outer Mongolian delegation will consist of Sanbowa, Vice-Minister of War; Mr. Damba, Commander-in-Chief of the Eastern Border Defense Army; Mr. Hatondobutashy, a representative of the Left Banner Office, and Mr. Toksumu, Secretary of the Government Bureau of Local Administration. Lin Sheng, Governor of North Hsingan Province, will head the Manchukuo delegation; he will be assisted by General Wu Erh-Kin, Commander-in-Chief of the North Hsingan Garrison; Masaichi Kanki, Director of the Political Affairs Bureau of the Foreign Office, and Masatoshi Saito, of the Department of Defense.

Stalin In Speech to Red Army Graduates Lays Emphasis on Workers

M. Stalin delivered a speech to the graduates of the Red Army Academy assembled at the Kremlin on May 4 in which he said the Soviet task was to switch Russia from the rails of the Middle Ages and ignorance to the rails of modern industry and mechanized agriculture. "We have factories, plants, collective and State farms and an army and we have the technique of them all, but our people lack sufficient experience necessary for squeezing out of this technique the maximum that can be squeezed out," M. Stalin said. Emphasis must be put on the people and workers who have mastered this technique, he added.

Chang Peng-chun Reports that Mei Lang-fang's Tour Was a Success

Dr. Chang Peng-chun, Professor of Nankai University, who headed the Mei Lan-fang troupe on their return to China from Russia, reported to Wang Ching-wei, President of the Executive Yuan, and Hsu Ho, Vice-Minister of Foreign Affairs, last week on Mr. Mei's trip to Russia. Prof. Chang said Mei's troupe was cordially received in every city they visited in Russia. Their dramatic performances have aroused the keen interest of the Soviet people in Chinese art and the tour is to be considered a success in that it has promoted closer cultural relations between China and Russia, he asserted.

CUSTOMS NOTIFICATION

No. 1443

The public is hereby notified that the Government have recently approved a set of regulations, a copy of which may be seen at the Custom House, governing the importation and coastwise movement of Sodium Chloride. It should be noted that shipments of Sodium Chloride must henceforth be covered by a special certificate issued by the Ts'ai-chêng Pu (財政部運氯化鈉執照), upon presentation of which the Customs will levy duty and release the consignment.

H. O. Tong,
Superintendent of Customs.

L. H. Lawford,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 7th May, 1935.

In the United States Consular Court, Shanghai, China

In re.
Estate
of
EUGENE ALBERT SILAGI,
Deceased

Special Proceedings
No. 157.
NOTICE
Filed at Shanghai, China,
April 16, 1935.
William T. Collins, Clerk.

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of EUGENE ALBERT SILAGI, deceased, to present the same with vouchers to the undersigned on or before October 26, 1935, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

N. F. ALLMAN,
Hamilton House,
Shanghai, China.

Shanghai, China.
April 16, 1935.

Hupeh Air Defense Association Inaugurated

(From the Review's Correspondent at Hankow)

WHILE military airplanes were busy on May 1, flying over Hankow and flooding the streets with circulars advocating modern air defense, General Chang Chun, chairman of Hupeh Provincial Government, was elected president of the first Hupeh Air Defense Association. The meeting was held in Liang Yi Street at 10 o'clock, the opening speech of the president stressing the importance of enlightening the public on the vital matter of air defense, and the necessity of enlarging the air force of the country to meet requirements of the present situation.

After the inaugural address, the members of the executive committee of the Association were then made public. General Chang Chun, president, General Yeh Peng, Wuhan Garrison Commander, Vice-President, Dr. K. C. Wu, Mayor of Hankow, 2nd Vice-President, General Chin Chu-tang, General Secretaty. Four sub-committees were also named, their duties being to assist the officials in carrying out the Association's program.

A speech by General Ho Chen-chun, Pacification Commissioner of Hupeh, just recently returned from an inspection tour in Szechwan and Kweichow, concluded the official inaugural ceremony. After the speeches the officers and delegates repaired to the Shanghai Theater where Wu Shao-hsu, chairman of the Propaganda Sub-Committee, directed the showing of an Italian Air Force manoeuvre on the screen.

Marshal Chang Starts School for Airplane Mechanics

In order to have efficient air service, expert airplane mechanics are indispensable. What with the mountainous terrain in west China and the tortuous wind-box gorges of the upper Yangtze, the air pilot must feel that his plane has been properly serviced after each flight. Realizing that foreign mechanics in sufficient numbers will in the long run require too large an outlay of cash, the Young Marshal has already established the beginnings of a first grade school for the training of Chinese airplane mechanics in Wuchang. Since Marshal Chang Hsueh-liang flies in American-made planes, it is but natural that American mechanics have been engaged as instructors in the new school.

Egg Factory Hands Walk Out

Without warning last Tuesday noon, April 30, about 80 factory hands walked out of the drying rooms of the Belgian egg factory, Societe Anonyme Pour L'Industrie des Oeufs. The strikers demanded monthly wages, instead of day wages, although the company is carring out the agreement for this type of seasonal and spasmodic work as worked out and negotiated in 1927.

In all the egg factory employs about 800 workers, all types, included. There does not seem to be any labor union back of this strike, but four trouble-making labor-agitators who caused several strikes in 1927 are known to be among the strikers. The company asked the protection of the Japanese authorities, since the factory is located in the Japanese Concession, and this was promptly granted, thus saving the property from losses of any kind. This being the middle of the busy egg season, egg yolks valued at over $10,000.00 were jeopardized by the action of the striking coolies. However, the manager and a skeleton crew of loyal employees carried on operations in the drying room, until the cargo was out of danger of loss.

Strike Soon Over in Egg Plant

The Chinese authorities, having been notified of the action of the strikers, are seeking a solution. The manager of the plant informed us May 7 that the strikers are beginning to return to work, and that the strike seems to have subsided.

Two Thousand Huts Destroyed

Fire broke out in the mat huts along the Peiping-Hankow Railway embankment in Hankow last Wednesday, May 1, and destroyed no less than 2,000. The fire department was not able to command sufficient supply of water to bring the blaze under control before Thursday evening, the 2nd. Hundreds of people are rendered homeless, and, but for the fine summer weather we are enjoying at present, would be forced to suffer untold misery. In spite of the large number of families involved, only one person is believed to have been burned to death.

Marshal Chang Returns from Kweiyang

After his conference with the chairmen of Honan and Shensi provinces, Generals Liu Shih and Yang Hu-chen, respectively, Marshal Chang Hsueh-liang, flew back to Hankow, only to leave on May 1 for Kweiyang, Kweichow province, to confer with the Generalissimo, Chiang Kai-shek about the general campaign against the Reds in northeastern Szechwan, western Honan, and southern Shensi.

Chiang Kai-shek Planning Huge Anti-Red Scheme

There can be little doubt that the keen strategy of General Chiang Kai-shek is going to be mobilized against the brain and brawn of the Red forces in China this coming summer. The show-down will have to come, the sooner the better. General Chiang seems to be keeping his finger on the pulse of events as they transpire in the whole Red area, and Marshal Chang, his flying assistant, is making good use of his time and gathering invaluable information to place at the disposal of his chief.

Hunan the Weakest Spot in the Anti-Red Armor

Disquieting rumors continue to come from northern Hunan. All missionaries of the Finnish Lutheran Mission have evacuated Tayung, Tzeli, Tsingshih, and Lichow. Some have arrived in Hankow already. The latest ones to leave evacuated Tsingshih on the 2nd or 3rd of May. The Reds are said to have taken Tayung, but the fate of Tzeli, Tsingshih, and Lichow is not yet known. The troops under General Ho Chien are reported to have been outwitted by the Reds and fallen into one of their traps almost unawares. This has ruined the morale of the troops for the time being, besides meaning a loss to the government forces in men and arms.

General Ho Chien is trying to stem the tide. Reinforcements are being sent to Changteh and other strategic points. Ho Lung seems to be well acquainted with his native province of Hunan and apparently delights in embarrassing the government soldiers.

Hankow, May 7, 1935.

$1,400,000 for Yellow River Engineering Work

With a view to safeguarding the Yellow River from overflow during the forth coming spring tide, the Hopei Provincial Department of Reconstruction has decided to raise a sum of $1,400,000 for the various engineering projects for the section of the river in Hopei.

A party of 20 press representatives from Nanking and Chinkiang last week inspected the water locks now under construction at Shaopo and Huaiyin, the engineering operations on the Huai River and the dredging work on the Changfu Ho and Hungtse Hu (Lake), on the Kiangsu-Anhwei border.

***

Suiyuan Province Appropriates $100,000 to Continue Saratsi Project

The Suiyuan Provincial Department of Reconstruction has decided to appropriate a sum of $100,000 for the readjustment of the Min Sheng Irrigation Canal in Saratsi, western Suiyuan. Li Tseng-yung, well-known industrialist, has been invited to take charge of the work. Measures governing the operations have also been mapped out by the Provincial Department of Reconstruction. The Irrigation Canal was first operated by the China International Famine Relief Commission, but later taken over by a mixed commission composed of representatives of the Suiyuan Provincial Government, C. I. F. R. C., and various local organizations. The Suiyuan Provincial Government in January, 1934, approached the National Economic Council for funds to carry on the work but on the advice of its technical experts following exhaustive investigations the N. E. C. decided not to participate.

The N. E. C. issued a statement March 25 stating that the practical results of the scheme were disappointing. O. J. Todd, chief engineer of the C. I. F. R. C. replied defending the project, and further discussed the technical aspects of the problem at the annual meeting of the Association of Chinese and American Engineers in Peiping April 6. Mr. Todd has in the meantime left for the United States.

59,992 Drug Addicts Cured Last Year

A total of 59,992 drug addicts throughout the country were cured of the opium smoking habit during last year, according to returns released by the National Opium Suppression.

The National Opium-Suppression Commission reports that up to the end of last year, a total of 263 narcotic traffickers and drug addicts was executed in the country. Such criminals, it is explained, were formerly punished with imprisonment or fines; but after the promulgation of the Regulations governing the suppression of Narcotics by the Provisional Headquarters of the President of the Military Affairs Commission, persons found engaging either in the cultivation of the opium poppy or in the manufacture, transportation or sale of narcotic drugs, as well as habitual drug addicts, were given the death penalty.

Yao Kwei-sun, a Chinese residing in the Shanghai French Concession was sentenced to four years and four months imprisonment and fined $4,000 in the Chinese Court in the Concession last week, after having been convicted of operating a "red pill" plant.

Anti-Opium Campaign Held at Chungking

A three-day anti-opium campaign was held at Chungking May 7-10 by the anti-opium promotion association organized under the suspices of the headquarters in said city.

Who's Who in China

Kao Yi-han, Government official; born at Luan, Anhwei, 1885; B.A. in Political Science from the Meiji University, Japan; professor at the National Peiping University; professor and dean of the Political Science Department of the Chungkuo University, Peiping; professor and dean of the School of Social Sciences of the China National Institute, Woosung, Shanghai; professor at the Chungshan University, Wuchang; director of the Bureau of Compilation and Translation of the Political Department of the Military Affairs Commission; now, member of the Control Yuan and recently appointed Supervisory Commissioner of the Yuan for the Hunan-Hupeh Control Area; author of "A History of the Political Thought of Europe," "An Outilne of Political Science," "A History of the Chinese Imperial Censorship System," "A History of the Chinese Cabinet System," and contributing editor to *The New Youth Magazine*, *The Weekly Critic* and other periodicals; address: Control Yuan, Nanking.

高一涵
Kao Yi-han

高一涵，年五十一歲，安徽六安縣人，卒業於日本明治大學政治經濟系，得政治學士學位，曾任國立北京大學教授，北平中國大學政治系主任兼教授，上海中國公學社會科學院院長兼教授，武昌中山大學教授，軍事委員會總政治部編譯局局長，現任監察委員，特派監察院湖南湖北監察區監察使，著有歐州政治思想史，政法學綱要，中國御史制度的沿革，中國內閣制度的沿革，並任新青年雜誌，每週評論，努力週刊等編輯。

Hundreds of Shanghai School Students Undergo Military Training at Soochow

Upwards of 900 students from the Shanghai district are taking special training at Soochow. On April 19 a special train of 12 coaches carried a large batch of students from the following schools:—Nanyang High School, Cheng Shih High School, Shanghai High School, Kwanghua Experiment High School, Hsin Ya High School, Waiping High School, Shaoho High School, Chunyi High School, Kuokwang High School, Chinyieh High School, Pinghai High School, Ching Lien High School, Chuan Chang High School, Tung Ya School of Physical Culture, Sino-French High School, Utopia University High School, China National Institute High School, and William's High School. The number of students from each school ranged from 30 to 80. The expenses for the training of these students were raised in Shanghai and Soochow, the total sum being about $90,000. The instructors have been appointed by the Inspectorate-General of Military Training of the Nanking Government.

Chinese Boy Scouts Assemble at Nanking, Tsinan and Taiyuan

A grand jamboree of Nanking Boy Scouts was held at the Public Recreation Ground in Nanking May 5. Sixty-five units, comprising 5,138 scouts, participated.

General Han Fu-chu, Chairman of the Shantung Provincial Government, reviewed the Tsinan Boy Scouts. He instructed the youths to assemble once every two months to undertake joint training under his direction.

More than 2,000 students of Taiyuan took the pledge to "buy native goods" at an oathtaking ceremony held in Taiyuan, May 5. The oath was administered by Chao Tai-wen, Chief Counsellor of the Taiyuan Pacification Headquarters.

Executive Yuan to Appropriate $70,000 for Athletic Meet

In accordance with a petition of General Wu Te-chen, Mayor of the Shanghai Municipality, the Executive Yuan May 7 decided to appropriate a sum of $70,000 for the National Athletic Meet which will be held at Shanghai in October this year.

In the United States Court for China

BESS H. McALISTER Plaintiff, vs. GEORGE F. McALISTER, Defendant.	Cause No. 3852 Civil No. 1799 ORDER Filed at Shanghai, China, April 23, 1935. William T. Collins, Clerk.

The object of this suit is an action for divorce.

WHEREAS, plaintiff herein, by her attorneys, has this 17th day of April, 1935, made application for the substitution of publication for personal service upon the defendant herein; and

WHEREAS, it appears from the files in this case that on the 17th day of April, 1935, the summons for defendant was returned by the United States Marshal for China with the following noted thereon: "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS, it appears from the files in this case that on the 17th day of April, 1935, the plaintiff herein filed an affidavit to the effect that the defendant does not now reside in China nor has he resided therein since October, 1933, and that defendant's last known address was 45 Grange Street, Rusholme, Manchester, England, c/o Mr. Frank Mee.

NOW, THEREFORE, it is this 23rd day of April, 1935, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the *China Weekly Review*, a paper of general circulation most likly to reeach the defendant.

IT IS FURTHER ORDERED that the defendant cause his appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occuring after the 11th day of May, 1935, the day of last publication of this Order; otherwise the case will be proceeded with as in case of default.

BY THE COURT:

Dated at Shanghai, China,

this 23rd day of April, 1935.

MILTON J. HELMICK,

Judge.

Japanese Spokesman Sees No Need for Japan to Exchange Diplomats with Rome

A spokesman of the Tokyo Foreign office May 6, discussing diplomatic relations between Japan and the Holy See, expressed doubt as to the necessity of an exchange of diplomatic representatives between the Japanese Government and Rome. "Now that the influence of the Holy See is on the decline, the necessity for such an exchange is very doubtful in view of the changed international situation," the spokesman said.

Japanese Bulb Producers Criticize U. S. Court Decision

Japanese electric bulbs manufacturers are vigorously criticizing the recent judgment of the Los Angeles District Court, which ruled to uphold the appeal of the General Electric Corporation of America for a ban on the imports of Nippon-made bulbs into the United States. A spokesman of the Amalgamated Association of Electric Bulb Manufacturers said that his organization would appeal the decision before higher courts.

Men and Events

Rev. Karl L. Reichelt addressed the Royal Asiatic Society, Shanghai, May 8 on "Glimpses from the Realm of Buddhism."

Dr. Robert Haas, the League's liaison officer to China, after a tour in Kwangtung province, sailed for Europe from Hongkong on May 7.

Dr. Sylvain Boekebinder was scheduled to give a demonstration on telepathy and psychometry in the Shanghai American Club assembly room May 10.

Huang Chao-chin, newly-appointed Chinese consul-general in San Francisco, will sail on board the Dollar liner *President Cleveland* on May 11 for his post.

The Polish National Day was celebrated at Nanking May 3 at a reception given by M. Weydenthal, the Polish Minister, at the Nanking Office of the Polish Legation.

Miss Liang Pao-tze arrived in Boston, Mass., last month with full credentials from the Chinese government, to study "spring styles in America's most cultural center."

R. W. Davis, managing director of the *North-China Daily News*, departed from Shanghai last month to spend a holiday in England. He expects to return next October.

Andrew T. Brennan, South African Government Trade Commissioner, arrived in Shanghai this week in the course of a tour which is taking him all over the Far East.

Prince Purachatra, uncle to the present King of Siam, and brother to his predecessor, spent several days in Shanghai this week enroute to Japan, the United States and Mexico.

H. R. Ekins, for several years manager of the Shanghai bureau of the *United Press* Associations and more recently in charge of the Peiping bureau, has joined the Washington *U. P.* bureau.

On the eve of their departure for the Philippines, a reception in honor of Dr. and Mrs. John R. Mott was given by the Young Men's Christian Association of Shanghai May 6.

Vice-Admiral Esteva took over command of the French Naval Forces in the Far East from Rear-Admiral Richard, May 7. The flagship of the French fleet in these waters, the *Primauguet*, arrived here last week.

H. O. Tong, Superintendent of the Maritime Customs at Shanghai, is at present in Canton, where he is discussing measures with the Southern Authorities to prevent the smuggling of silver abroad.

The Nippon Yusen Kaisha is planning for the construction of a 7,000-ton liner to ply between Kobe and Shanghai, in addition to the present sister ships s.s. *Shanghai Maru* and s.s. *Nagasaki Maru*.

Masson Warner, head of the Warner Advertising Agency of Chicago, after short stay in Shanghai, departed May 7 for Hongkong and Manila from where he will depart later for Java, Batavia and Sumatra.

R. J. Corbett, assistant general manager of the Standard-Vacuum Oil Company, has returned to Shanghai from an extensive trip to the United States. Mrs. Corbett will return to Shanghai next autumn.

Mrs. J. S. Potter, accompanied by her two children, will depart from Shanghai May 10, on a visit to her parents in Los Angeles. Mrs. Potter expects to be away for eight months. She is making the trip via Europe.

The annual report of the General Motors Corporation, presented at the annual meeting at Wilmington, Delaware, Apr. 30, showed net earnings for 1934 of $94,769,131 as against $83,213,676 in the previous year.

Tang Yu-jen, vice-minister of foreign affairs, after a visit to Shanghai end of last week proceeded to Hangchow to have an interview with General Huang Fu, chairman of the Peiping Branch of the Political Affairs Commission.

The Nanking government has decided to send a delegation of Chinese Boy Scouts to America to participate in the grand jamboree which is to be held in celebration of the 25th anniversary of the founding of the American Boy Scouts Union.

Lieutenant Fitzhugh Lee, an aviator who has been on the U. S. A. *Augusta*, flagship of the United States Asiatic fleet, has recently joined the American Embassy in Tokyo for temporary work in the office of American Naval Attache.

Black-fever is spreading rapidly in North Kiangsu, according to recent advices from Tsingkiangpu city. The Kala-azar research station established by the National Economic Council and the General Hospital there are filled with black-fever patients.

Madame Flora Rosemberg, French barrister-at law, has returned to Shanghai from a business trip to Paris. Madame Rosemberg traveled to Europe by way of the United States and returned by way of the Trans-Siberian railway and Manchuria.

Tu Ping-sung was brought before Judge Feng in the First Special District Court May 3 charged with the embezzlement of $239,000 from the Commercial Bank of China. Lu denied any complicity in the fraud. The case was adjourned until May 16.

Jan Reinier van Alphen, a high official of the Netherlands East Indian Government, who had retired and was on his way home after a pleasure trip, dropped dead at Woosung last week on a road while he was proceeding to the jetty to take a ferry-boat for Shanghai.

A party of 20 persons, members of the California Alumni Association who left San Francisco on April 5 to tour the Orient, were due back here from Manila on May 10. The tour is under the management of Bruce Thomas, Foreign Field Secretary of the Association.

Y. E. Hsiao, general secretary of the Chinese Students' Christian Association in North America, is scheduled to arrive in Shanghai on May 14 for an extended visit. While in China Mr. Hsiao will visit colleges and universities in various parts of the country.

Sung Sien-kan, an 18-year-old Cantonese student from Hongkong, attempted suicide by taking sleeping pills in Jessfield Park after being swindled by one of his friends recently of a big sum of money which he had taken from his step-mother, who he alleged ill-treated him in Hongkong.

The first public children's nursery (creche), established in the Capital by the Nanking Women's Cultural Association, was formally inaugurated in Nanking May 1. Miss Teng Chi-hsin, in a brief address, expressed the hope that public support and assistance will be forthcoming to keep it going.

R. Calder Marshall, has been elected chairman of the British Chamber of Commerce and Mrs. W. S. King as vice-chairman, H. G. W. Woodhead, C.B.E. former vice-chairman of the China Association, was elected President at the same meeting, while P. W. Massey, former chairman, was elected vice-chairman.

The Chinese Government has presented the library of the League of Nations with a full set of the socalled "Imperial Collection of Four Divisions," compiled between the years 1773 and 1782 by the Emperor Chien-Lung and comprising all the important books that had appeared at that time in the Chinese language.

Percy Chen, eldest son of Eugene Chen, foreign minister at Hankow of the government in 1927, arrived from Moscow and Vladivostok last week accompanied by Mrs. Chen, for a two-month sojourn in China. Mr. Chen is adviser to the General Motors Company in their negotiations with the Soviet Commissariat of Heavy Industry.

Mrs. Don Tinling, whose husband is head of the freight traffic department of the Robert Dollar Company, accompanied by their children, will depart for the United States next week on a visit. Mr. Tinling, who is also proceeding home on leave in June, will first make a business trip to Manila and Japan, prior to sailing for the United States.

The Court of Appeal in London May 1 discharged the injunction restraining the Singapore Traction Company from buying out the interests of the Shanghai Electric Construction Company, Ltd., for the sum of £100,000 payable in debentures. This means that the efforts of the Singapore Traction Company to rid itself of control by the Shanghai Electric Construction Company, Ltd. have now been successful.

A portrait of Quo Tai-chi, Chinese Minister in London, depicting the Chinese Minister seated and wearing a bronze colored silk gown is a feature of the Royal Academy (London) exhibits. It was painted by Kenneth Green, a young artist, who was recommended to Mr. Quo by an Oxford professor. It is the first portrait ever hung in Burlington House of any Chinese Minister in London.

Frank Hedges, formerly a member of the foreign staff of the Philadelphia *Public Ledger*, stationed in Peiping and also a member of the editorial staff of the *Japan Advertiser*, American paper in Tokyo, is returning to the Orient as Managing Editor of the *Advertiser*. Recently Mr. Hedges has resided in Columbia, Mo., where he served as the executive secretary of the Press Congress of the World.

The death occurred in Shanghai May 4 of T. P. Yang, director and sub-manager of the Shanghai Comercial & Saving Bank. The deceased was also managing director of the Bank of Communications, member of the Supervisory Board of the Manufacturers' Bank, director of Shanghai China Merchants' Stock Exchange Co., Ltd., a director of the China Tobacco Manufacturing Co., Ltd., and also of other concerns.

An article on "The Communist Stand in China," by Wilbur Burton, special correspondent in Shanghai of the *Baltimore Sun*, appears in May issue of *Asia*. Mr. Burton's conclusion is that "the Reds have helped instead of hurt their principal foe," General Chiang Kai-shek. An article by Randall Gould, editor of the *Shanghai Evening Post and Mercury*, on the recent journalistic junket to the ex-Red areas in Kiangsi, is announced for the June issue of *Asia*. An article by Mr. Burton on aviation development in China is also scheduled for the June issue of *Asia*.

According to dispatches received here from Harbin, the Manchukuo authorities there will shortly close down the Engineering College of the C. E. R. and the Technical School of the Y.M.C.A., which are regarded as the two principal educational institutions in North Manchuria.

The Order of the Brilliant Jade was conferred by the National Government May 1 on Wong Ching-yung, theatrical magnate and a prominent resident of French Concession, at whose garden the ceremony was staged; also on Tu Yueh-san, managing director of the Chung Wei Bank; Chang Shao-lin, prominent French Concession leader; Wu Zai-yuan, cotton magnate; and Hsu Mow-dang, wealthy business man.

Mrs. James M. McHugh, wife of Capt. McHugh, chief of the Intelligence Department of the U.S. Marine Corps, was scheduled to sail for the United States with their two sons on Saturday of this week. They will spend the summer with Mrs. McHugh's father, Jacob Gould Schurmann, former Minister to China at his home in Massachusetts. Capt. McHugh will also return to the United States for service in Washington this fall.

With the date for the convocation of the National Judicial Conference fixed for September 16, the Judicial Yuan has formally promulgated the rules governing the organization of the Secretariat and Proposals-Examination Committees, as well as rules of procedure of the Conference. Under the Secretariat will be three sections on general affairs, proposals and correspondence. The personnel will be drawn from the staff of the various judicial organs.

The Hon. Desmond Edward Parsons, brother of the Earl of Rosse, was arrested by the Chinese authorities in Kansu last week. He telegraphed to Peiping that he was being detained at Ansichow, in the far northwestern corner of the province, on a "trumped-up charge of petty theft." His requests for permission to leave the town were refused, he said. The British Legation asked the National Government to telegraph the Kansu authorities to allow Mr. Parsons to leave Kansu for Peiping immediately.

Lester School Issues Prospectus for 1935-1936 Session

The Lester School and Henry Lester Institute of Technical Foundation—which is provided for by the will of one of Shanghai oldest landholders, who died about a decade ago, has issued a 52-page prospectus for the 1935-36 session. Courses are offered in engineering and building, also in pure science and applied chemistry. The principal is Bertrain Lillie; registrar, A. E. Thornton.

Chinese Firemen Show Contempt for Idols by Burning Them

Contending that processions in honor of city gods and other deities are not only a waste of time and money, but also contrary to the new life movement, the Shanghai District Kuomintang has sent a letter to the Shanghai City Government, requesting it to suppress processions of this kind. According to the Party, when a religious procession was held in the evening, firemen who were maintaining order in the district set fire to the wooden idols after the people had dispersed, their act delighting many people. The images carried in the procession were of three philosophers of the Sung Dynasty, who during their life-time had strongly denounced superstitions. The procession therefore was regarded as an insult to them. As a protest against the action of firemen, a large number of residents in Kiangwan now refuse to contribute towards the subsidy of the brigade.

America Moves Toward Maintaining World Naval Supremacy

The Tokyo *Nichi Nichi* April 26 commenting on the American naval maneuvers, stated that the Japanese Navy feels that the American Navy is doing all it can to maintain its world naval supremacy and to carry out its trans-Pacific naval operations in spite of the fact that the naval disarmament conference looms in sight. This points covered in the *Asaki* editorial are:—In establishing submarine and air bases in the Aleutians and practising the defence of and attack on these positions, the American Navy is aiming at the carrying out of a plan of campaign against the Japanese mandated islands in the South Seas. Thus they have swung the position of their objective 90 degrees from the south to the north; that the United States should have undertaken to establish a trans-Pacific air route comprising Hawaii, the Midway Island, the Wake Island and Guam under the pretext of opening a civil aviation airway bears great strategic significance as exposing to the whole world their aggressive naval plans against the Far East; in appropriating $300,000 for repairing Pearl Harbor in next year's budget, America seeks to strengthen her most important base for advance across the Pacific; America's plan to construct 555 naval planes and to increase the number of naval officers at once by 2,677 to 8,176 within this year are all part of her preparations for a Far Eastern campaign.

In the United States Court for China

DOROTHY LYMAN GREEN, Plaintiff, vs. RALPH THOMAS GREEN, Defendant.	Cause No. 3856 Civil No. 1802 ORDER. Filed at Shanghai, China, this 27th day of April, 1935. William T. Collins, Clerk.

ORDER

The object of this suit is the dissolution of the bonds of matrimony between the parties hereto.

WHEREAS plaintiff herein by her attorneys, on the 27th day of April, 1935, made application for the substitution of publication for personal service of summons upon the defendant herein; and

WHEREAS it appears from the files of this case that on the 27th day of April, 1935, the summons for the defendant was returned by the Marshal of the United States Court for China "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS it appears from the files of this case that on the 27th day of April, 1935, Dorothy Lyman Green, the plaintiff herein, filed an affidavit to the effect that the defendant herein was not residing in the Republic of China;

NOW, THEREFORE, it is this 27th day of April, 1935, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in *The Chnia Weekly Review*, a paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause his appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the 18th day of May, 1935, the day of the last publication of the Order; otherwise the case will be proceeded with as in cause of default.

BY THE COURT.

MILTON J. HELMICK,
Judge,
United States Court for China.

JAPAN

AND THE CRISIS OF 1935-1936

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A Thorough Discussion of Economic Planning

Plan or No Plan, by Barbara Wootton. Farrar & Rinehart, Inc., New York. 360 pages. Price, $1.60.

The idea of economic planning has achieved a degree of popularity in recent years that is truly astonishing. The Roosevelt administration in Washington is attempting to "plan" through such agencies as the A.A.A. and the N.R.A. Popular journals have responded to the public interest in the subject with a flood of articles. Even conservative academic economists are turning their attention to the subject. In *Plan or No Plan* we have by far the best systematic discussion of economic planning that has appeared to date. Unlike most "planners" Mr. Wootton knows a great deal about economics; and unlike some economists, she has a mind which is sympathetic and elastic enough to give planning its due.

Economic planning may be of many different sorts. In the past it has taken the form of haphazard interference on the part of governments with special phases of economic life—railroads, agriculture, banking, foreign exchange operations, etc. In contrast with this, there is the possibility of general and systematic economic planning. Such general planning has been tried out only in Russia to date. It is to planning of the comprehensive type that interest is shifting. Experience with piecemeal government interference indicates that it does not by any means guarantee satisfactory results. It is with general planning as a substitute for the partially regulated economic system that we have in the United States and western Europe, that Mrs. Wootton deals.

The problems that will confront a planning commission are by no means so simple as some enthusiasts believe. What shall be produced, how much shall be produced, when it shall be produced, by what methods goods shall be produced, the apportionment of resources as between different lines of production, how things shall be priced, what system of rewards and incentives shall be set up, how rapidly new technical discoveries shall be adopted, the extent to which industries shall pile up inventories and a host of other problems will have to be solved if a planned economic order is to realize the hopes of its proponents. "Successful planning" writes Mrs. Wootton, "is dependent before everything upon knowledge and the ability to use that knowledge. It demands the most detailed information about the scale of existing production and trade, the distribution of income between different classes in the community, the organization and the limiting technical conditions in every industry, the age-composition and geographical grouping of the population—to mention only a few of the larger and more obvious matters. And it requires moreover an extremely high standard of administrative competence and integrity."

A thorough consideration of economic planning carries one far afield. A prime essential for its success is a political system which will select and support administrators with ability and integrity. Can we hope that political democracy will give us such leaders? Certainly history does not enable us to answer this question with an unequivocal affirmative.

Plan or No Plan is a book which will interest general students of economics as well as the experts in the field. It combines breadth and tolerance with acuteness and technical insight into the play of economic forces. Unlike many books of its kind it is very well written.

Williamstown, Mass., April 20, 1935.

WALTER B. SMITH.

A Pioneer Textbook on Political Ethics

Political Ethics, by Daniel Sommer Robinson. Thomas Y. Crowell Company, New York, 1935. 288 pages with index.

Daniel S. Robinson is professor of philosophy in Indiana University. He has written several books on philosophy and in this one sketches political ethics for the post-war world. This book is written for students and we might add that it is written for such as have or desire to have, ethical standards. The author calls it a "pioneer textbook" and hopes that it may serve to clarify many issues and to help in the establishment of a more ethical relation between peoples.

Political ethics concerns not only relations between cultures, but between states and the individuals of culture groups and states. It is best explained, in Prof. Robinson's manner, by a diagram. He discusses the State and its ideal form as well as the variations of past and present, including the present European dictatorships and the Communism of the Soviets.

International Relations and the application of ethical principles to them are subjects of discussion in a thoughtful chapter carried on into an explanation of cultural monism versus cultural pluralism. The whole case of backward peoples is treated and the author gives thought-arresting suggestions. He says that some existing cultures which we commonly call backward may be ranked in some respects even higher than "our own boasted Western civilization". In this connection the author quotes Prof. Hocking, who tells us that today "over the Orient, there broods a sense of *latency*, of an immense and unfathomed capacity for new life, the potency of something radically different from our type, if it can be given its own time and mode of growth. We have no need to deal fearfully with the 'mystery of the Orient', but we have every reason for dealing respectfully with qualities which, varying as they do from ours, give promise of still other variants, not poisonous and weird, but noble, humane, and also universal . . . . I am ready to say that, even now, there are many respects, as in grace of life, dignity of thought and language, courtesy, hospitality, conversation, intuitive poetry and metaphysical sense, in which it is we who are the backward peoples."

To these quotations Prof. Robinson adds his own conclusions. "When measured by the standards of cultural latency who knows that Western culture is superior to that of Arabia or India or China? One thing is certain, the earth belongs to those peoples who have cultural latency, whose cultural possibilities have not all been realized. What if we have mastered nature, created Law and order, and made the masses more comfortable with radios, telephones, automobiles, and numerous other machines and instruments of human comfort, if our spiritual life becomes so cramped that we produce no original art, or other cultural values? To the extent that we fail culturally we are backward, even though we claim to be progressive. In the long run the true measure of the worth of a people is their ability to conserve and to enhance their cultural values.

The whole subject of the measure of backwardness is a vital matter in the world today. It goes deep into all of our relations with peoples of cultures other than our own and brings up the most embarrassing questions to the Christian citizen who finds his state ready to base its advance in civilization upon its preparedness for war.

Prof. Robinson thinks we have proved the League of Nations ineffective. "Today there is little hope that public opinion in the United States will support any efforts to make the nation a member of the League". A "way out", in the author's estimation, is by making the League over, perhaps by calling a Congress of Free People for the discussion of the whole matter. Only by some such thinking through of problems will our present civilization continue.

Each chapter is furnished with an excellent bibliography and there are various explanatory diagrams throughout the text. At the end of the volume, thirty "Cases for Discussion" are given, with references to facilitate their study. There is also a carefully prepared index.

April 12, 1935 G. B. S.

American Church Mission to Build New Eight-Story Hospital in Shanghai

Construction of a half million U.S. dollar hospital and nurses home at Shanghai was authorized May 3 by the National Council of Episcopal Churches of America. Money for carrying out the project is already available. The plans as forwarded to the United States by Bishop F. R. Graves, of St. John's University, call for combination of the facilities of St. Luke's and St. Elizabeth's hospital, but do not mean the total discontinuance of service of either of the present institutions.

Bishop Graves and M. P. Walker, treasurer of the American Church Mission, in Shanghai, are being instructed from America to proceed immediately with the program for building an eight-story hospital and a five-story Nurses's Training School at the corner of Hart and Changping Roads. The new hospital will contain approximately 270 beds.

The American Church Mission is the Shanghai organization of the National Council of Episcopal Churches. It has been operating St. Luke's hospital since 1880 and St. Elizabeth's for the past 31 years. The present St. Luke's institution, located in Seward Road, will be continued in operation as a hospital for men until the new building is completed and equipped, after which it will be operated as an emergency unit and an ambulance station for the larger institution. St. Elizabeth's, located on Avenue Road, also will continue to operate after the new hospital is completed. Much of the equipment will be transferred to Hart Road, but until funds are available for construction of an additional maternity wing to the new eight-story building, St. Elizabeth's will be the maternity hospital.

Intrepid Treasure Hunters Arrested on Arrival of Their Yacht in Formosa

Three former residents of Shanghai—one American, one German and one Russian—were taken into the custody at Tailo, southern Formosa, last week on a charge of espionage, when their vessel, the 4½-ton yacht *The Flying Dutchman*, was brought into the harbor because of allegedly suspicious behavior. The three men involved are: William S. Gates, former Lieutenant U.S.N.R., navigator; Heinz Gerhart Wrede, German, former correspondent in China for a German news service, and Gene Roubin, alias Sohneinman. The men in a statement to the Formosan police, said they were on their way to the Philippines, New Guinea, Cocos Island and Southwest Africa in an attempt to recover gold from sunken vessels including the German cruiser *Emden* and the Spanish galleon *Cormoran*.

Rev. E. C. Lobenstine Retires from N. C. C. Secretariat

Announcement was made at the sessions of the National Christian Council held last week that the Rev. E. C. Lobenstene is retiring from the secretariat of the Council after 22 years' service with the China Continuation Committee and the National Christian Council. Dr. T. T. Lew read a long resolution of appreciation of the services of Rev. Lobenstine. There were also numerous expressions of appreciation of the part of the delegates. Rev. Lobenstine made a stirring reply. The Council decided to make him an honorary secretary.

Rev. C. L. Boynton reported on the finances of the Council since its inception. He showed that the income from the Missions Building has risen to $30,000 a year, but the contribution of the Chinese Christian churches has dropped from $7,000 to $4,000 a year. The budget for the next biennium calls for $72,225 for 1935-1936 and $77,450 for 1936-1937, and, if the Council is to carry out the plans adopted, a considerable sum of money will have to be secured from at present unknown sources.

At the May 1 and May 2 settings the Council was busy passing resolutions bearing on its work in the ensuing biennium. A live though brief report on rural work recommended the Council to aid the Lichwan Protect of the Kiangsi Christian Rural Service Union. This project is carried on by a group of well-educated Chinese and its budget of $20,000 a year in large part comes from Gen. and Mme. Chiang Kai-shek. In view of the great need for Chinese leaders of the highest culture, the Council was asked to aid the project in securing personnel.

Principles for rural work also were adopted. Fellowship in a village is to be organized under local voluntary leaders, a group of Christian units in different villages forming a parish or pastoral district. The Council decided to continue the five-year movement and the activities started in connection therewith. The churches are urged to put special emphasis on evangelism, training for service, and Christian fellowship.

The Anti-Narcotics Committee submitted its report, and the Council decided to express to Gen. Chiang Kai-shek its desire to aid in the campaign wherever possible. Inasmuch as the narcotics evil is augmented by the presence of foreign traffickers who make use of extra-territoriality, the Council decided to recommend foreign governmental authorities to do all they can to assist the Chinese Government in this campaign.

The Council passed a resolution to be sent to the Federal Council of Churches of Christ in America expressing deep appreciation of the services rendered by Dr. Ivan Lee Holt, their President, while he was in China. It was also stated that Rev. E C. Lobenstine will attend the Executive Committee of the Federal Council in the autumn.

On April 30 Dr. John R. Mott spoke on the subject, "Why Cooperation Fails". The reasons he gave, put briefly, are as follows: denominational exclusiveness, prejudice and pride; over-anxiety about questions of faith, order, doctrine, polity, or ecclesiastical liberty; race feeling or prejudice; competing national viewpoints; lack of frankness and political-mindedness; unwillingness of mission boards to follow the leads of their missionaries and the younger churches on the field; fear of super boards and that the individual organization concerned will be submerged in the co-operative whole; some cooperating organizations "pass the buck"; lack of vision and absorption in one's particular task; personalities —personal idiosyncrasies, feelings and peculiarities; lack of continuity and weak follow-up in the execution of the program; co-operation considered as an end in itself instead of an agency to carry out a common objective; too much talk; members asked to serve on committees overloaded and so have insufficient time for cooperative tasks; lack of a policy for financial support; failure to count the cost of cooperative effort with a view to paying it. This cost includes hard work, thorough preparation, conclusive thinking, foresight, time and spirituality.

Dr. Tagawa spoke of the way Christianity is influencing Japanese life. The press and magazines, for instance, often contain scriptural quotations. Christmas, too, has become a Japanese custom. Buddhism has been so infiltrated by Christianity that it is copying its forms of service and propaganda very widely, he said.

Rev. Lobenstine spoke on the growth of opportunity for the use of the radio by the Christian forces. He said, however, that the National Christian Council should take steps to see that radio stations were so located that a national hook-up would be possible, and that the messages sent over them by Christians should be unifying rather than divisive.

Tong Shao-Yi Speaks to United States Over Hongkong's Short-Wave Broadcast

Tong Shao-yi, former Premier of China, who was one of the first group of Chinese students sent to America in 1874, spoke to America over Hongkong's first short-wave broadcast May 1. The veteran statesman's voice was picked up by the R.C.A. station at Manila and from there it was relayed to San Francisco where it was broadcast over the Columbia network.

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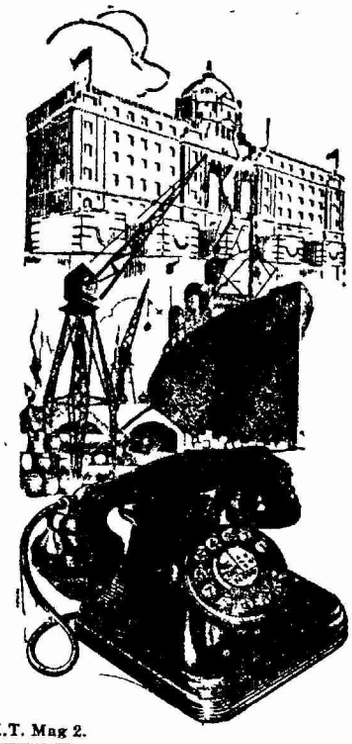

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I.P.R. Research Conference Studies Living Standards and Cotton Industry

The nine-day research conference of the Institute of Pacific Relations came to a close in Tokyo April 24, when Liu Yu-wan, secretary of the China Council of the institute, moved a vote of thanks to the Japanese Council for its hospitality.

The report of the committee on standards of living studies placed in carefully defined categories the various projects previously adopted by the conference as worthy of recommendation, namely: first those constituting the "core" of parallel studies in several countries, which promise the greatest degree of comparability and are primarily concerned with standards and levels of living of specific groups; second, studies of administrative standards in regard to diet, clothing, housing, and the like, as set up by governments, municipalities, or large institutions, which throw light upon what in the various countries is regarded as an acceptable minimum of living conditions; third, studies of mortality and morbidity statistics, where such are available, as indices of the net results of different planes of living in health and expectancy of life. In addition, encouragement is given member groups to prepare supplementary monographs of a more theoretical or a bibligroaphical character.

Five types of inquiry are further suggested as bearing upon standards of living and of international significance also on other grounds, namely: first, parallel investigations of the cotton textile industry in four or five countries, supplemented by similar studies of other texile industries, with special consideration of labor costs and levels of living prevailing among their workers; second, studies of the social effects on rural populations of commercialization of production and changes in world prices; third, studies of the influence of migration on standards of living; fourth, those of national income as affecting standards of living; and fifth, inquiries into standards of living as elements in public opinion and its effect upon public policies relating to tariffs, emigration, and immigration.

In the subject area of international communications in the Pacific, the conference adopted a recommendation to the effect that this subject be treated primarily in respect of the influences of different agencies of information upon public opinion, with emphasis on their actual or possible contribution to international education and the limitations imposed upon such contributions to popular education by government policies or economic pressures.

U.S. Court Issues Order for Reorganization of United Theatres, Inc.

A board of directors appointed under American "New Deal" legislation by Judge Milton J. Helmick of the U.S. Court for China is assuming charge of United Theatres, Inc., by virtue of a court order made last week sanctioning an amended reorganization plan for a new company with a capital of $5,000,000. Those named upon the board are: Ralph W. Peters, who has been trustee hitherto; Dr. George Sellett, who drafted the plan; C. S. Franklin, C. H. French and A. R. Hager. This group will serve until the first annual meeting of preferred shareholders of the new company following the close of the 1936 fiscal year. The amended plan of reorganization provides for the new company with preferred stock of A. B. and C. grades, distributed among creditors according to preferential rankings of claims, but with the Cathay Land Company as sole fully secured creditor eliminated from the plan and its first mortgage amortized to run ever a 19-year period.

Who Is to Blame for Sad State of Russian Women in China?

A "Russian Shanghailander" wrote to the *North China Daily News* May 3 protesting against statements made in a telegram from Geneva concerning the prevalence of prostitution among Russian women in Shanghai. Thereupon "J.D." wrote that his sympathy went out to these unfortunate women, "many of whom could not depend on their countrymen." He said he blamed "Russian Shanghailander" and his compatriots for the misfortunes of their womenfolk in Shanghai, and in the north of China.

Judgment Given Against Hosken Trading Co. for Commission on Airplane Sale

Judgment was given in U.S. Court for China May 2 in favor of Tien Tsu-chang for commission on a U.S. $50,000 sale of aerial cameras to the Central Aviation Academy at Hangchow against the Hosken Trading Company, Inc., agents for the Fairchild Aero Camera Corporation, of which Mrs. M. W. Hosken is president. The amount of judgment will be fixed by the court after consultation with counsel. The dispute between the parties hinged on the method of arriving at the amount of net profits on the deal.